



Minnesota State Demographic Center

## **Associated Colleges of the Twin Cities, Student Affairs Development Day**

Susan Brower, Minnesota State Demographer

January 2015

# TOPICS FOR TODAY

## Part 1

Demographic Trends: Renewed Urban Growth & Diversity  
Enrollment Management, Financial Aid & Admissions

## Part 2

The Granddaddy of Big Demographic Trends: Aging  
Employment Horizon & Career Needs of Students

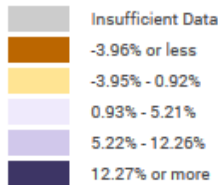
## 2 Big Demographic Trends

- Growth patterns within MN have changed
- Increasing diversity—ethnicity, language, religion, and other aspects

**Trend 1**  
**Post-recession**  
**growth looks new**  
**and different**



# Exurban growth in the 2000s



Source: PolicyMap,  
U.S. Census Bureau  
data

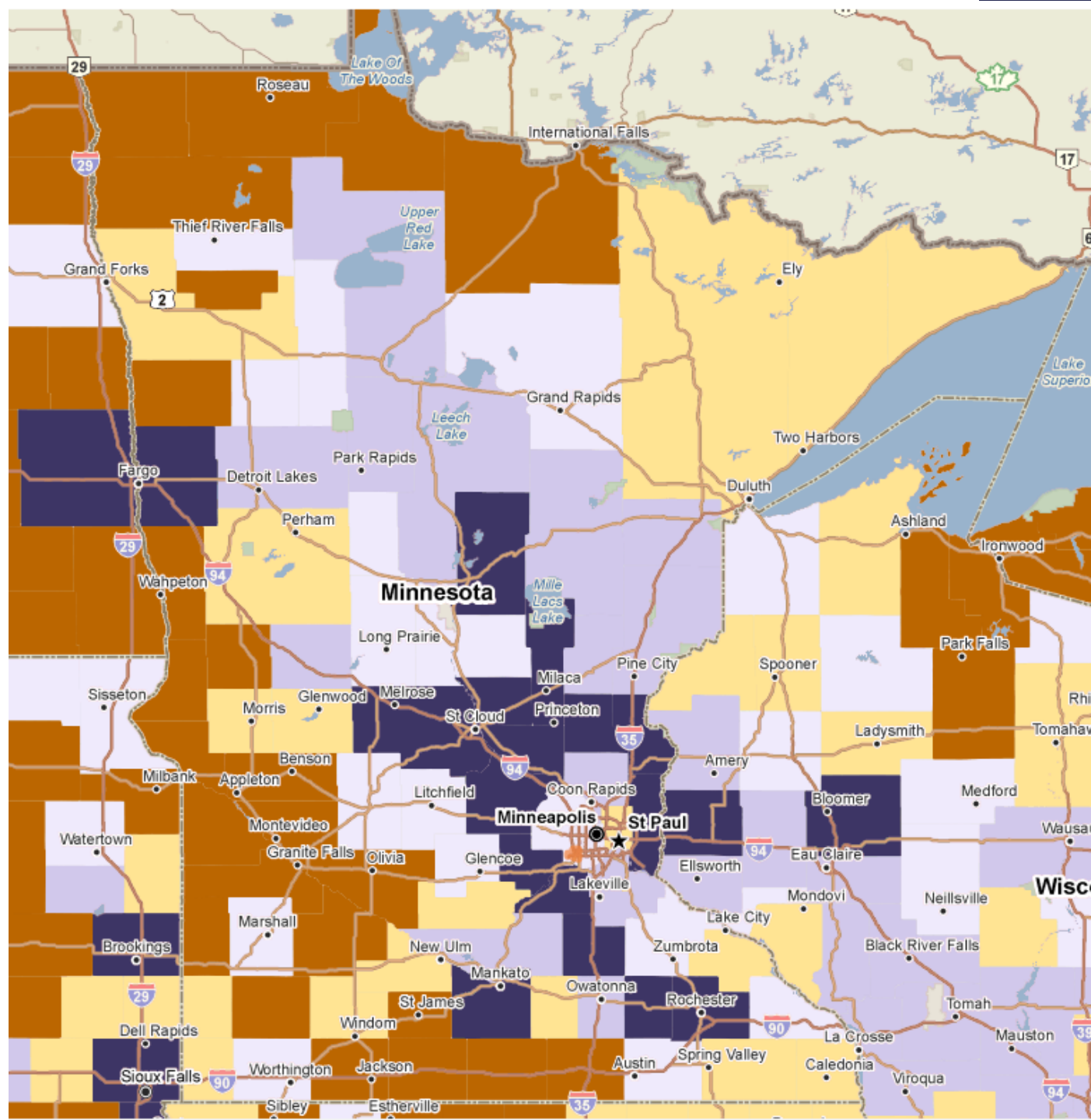
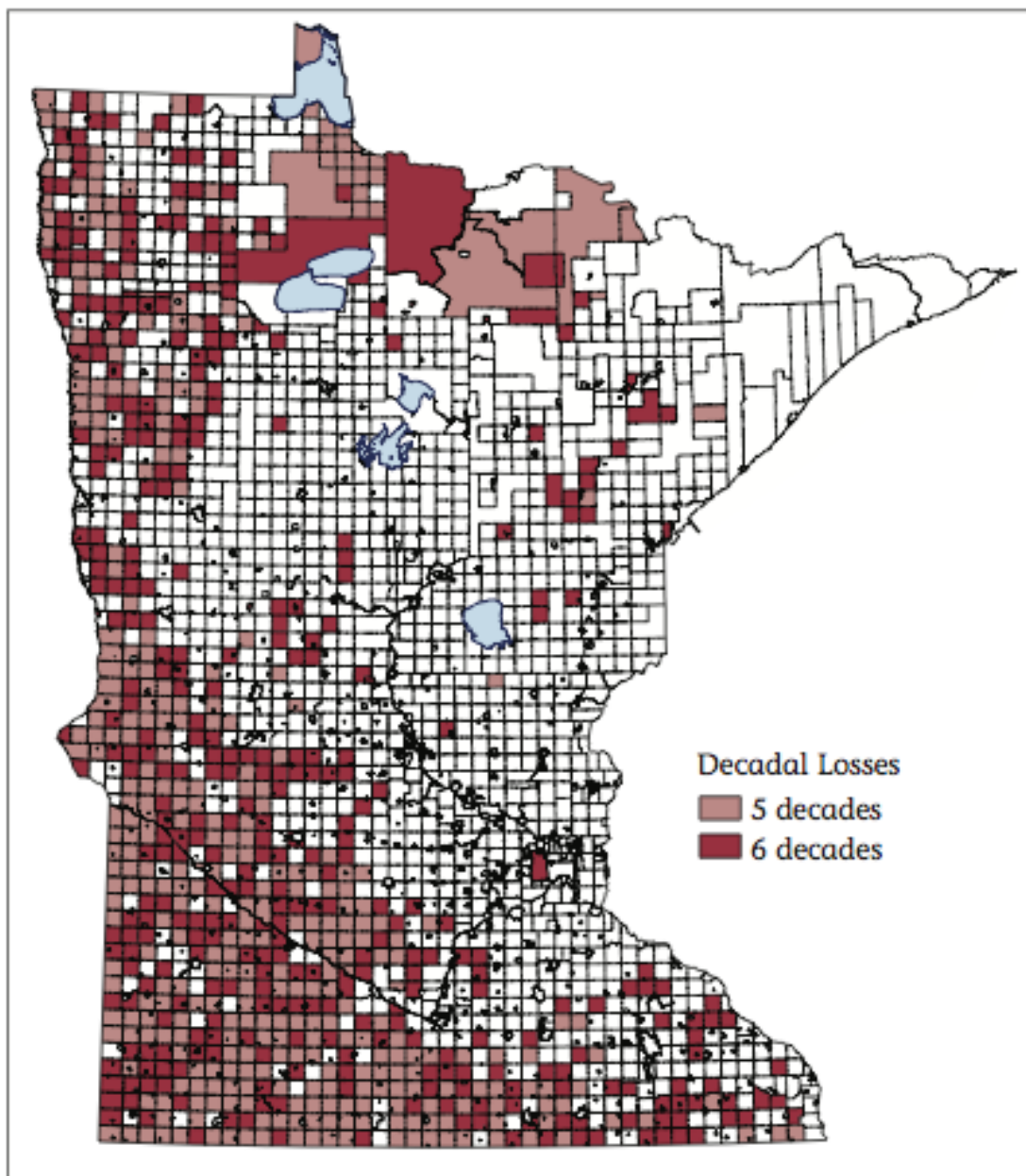


Figure 3. Minnesota: County Subdivisions that Lost Population for 5 or 6 of the Decades between 1950 and 2010



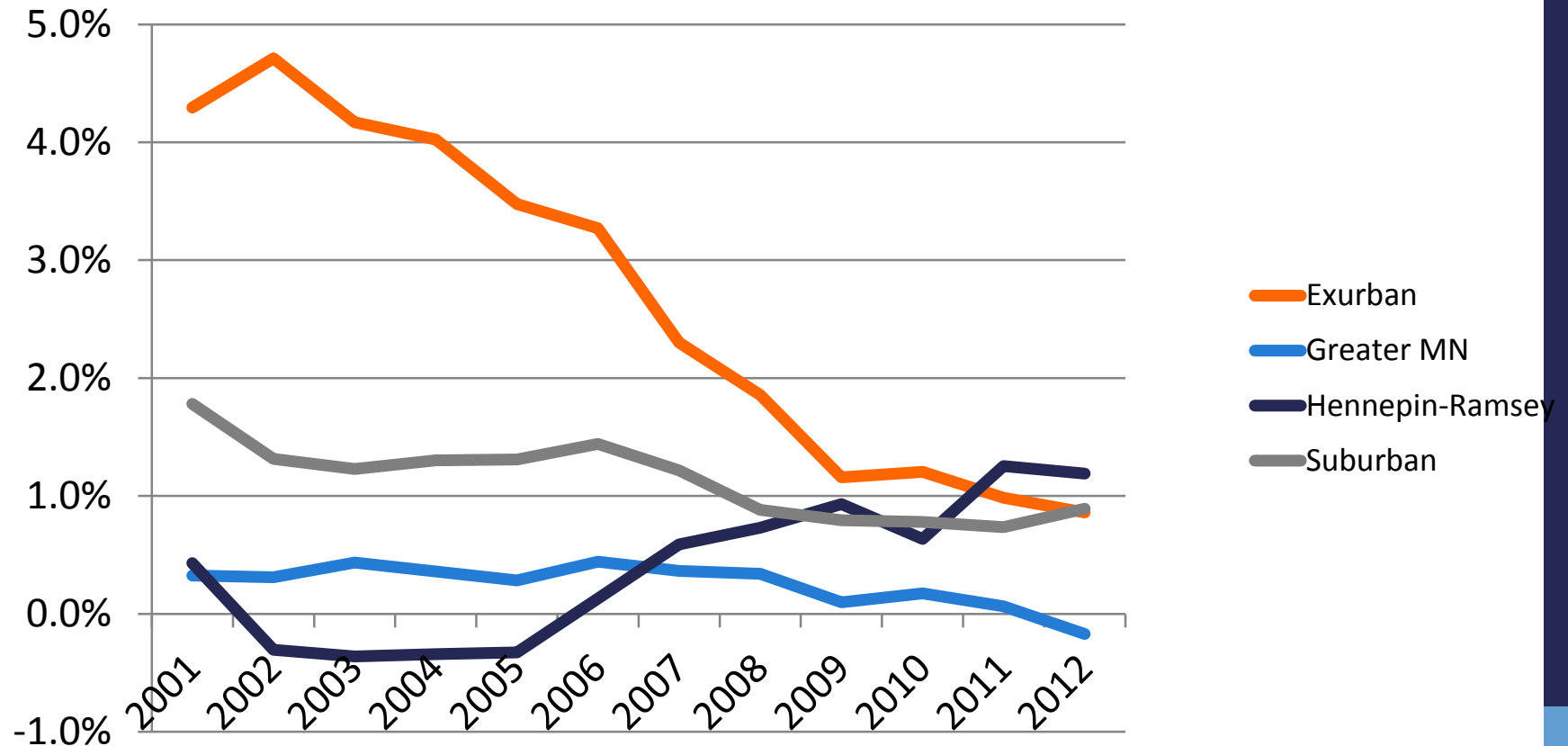
Note: Population based on decennial census data. Results for some locations had to be inferred because of boundary changes.

Population loss  
along western  
edge of state,  
down into  
Southwestern  
prairies has  
been long-  
standing

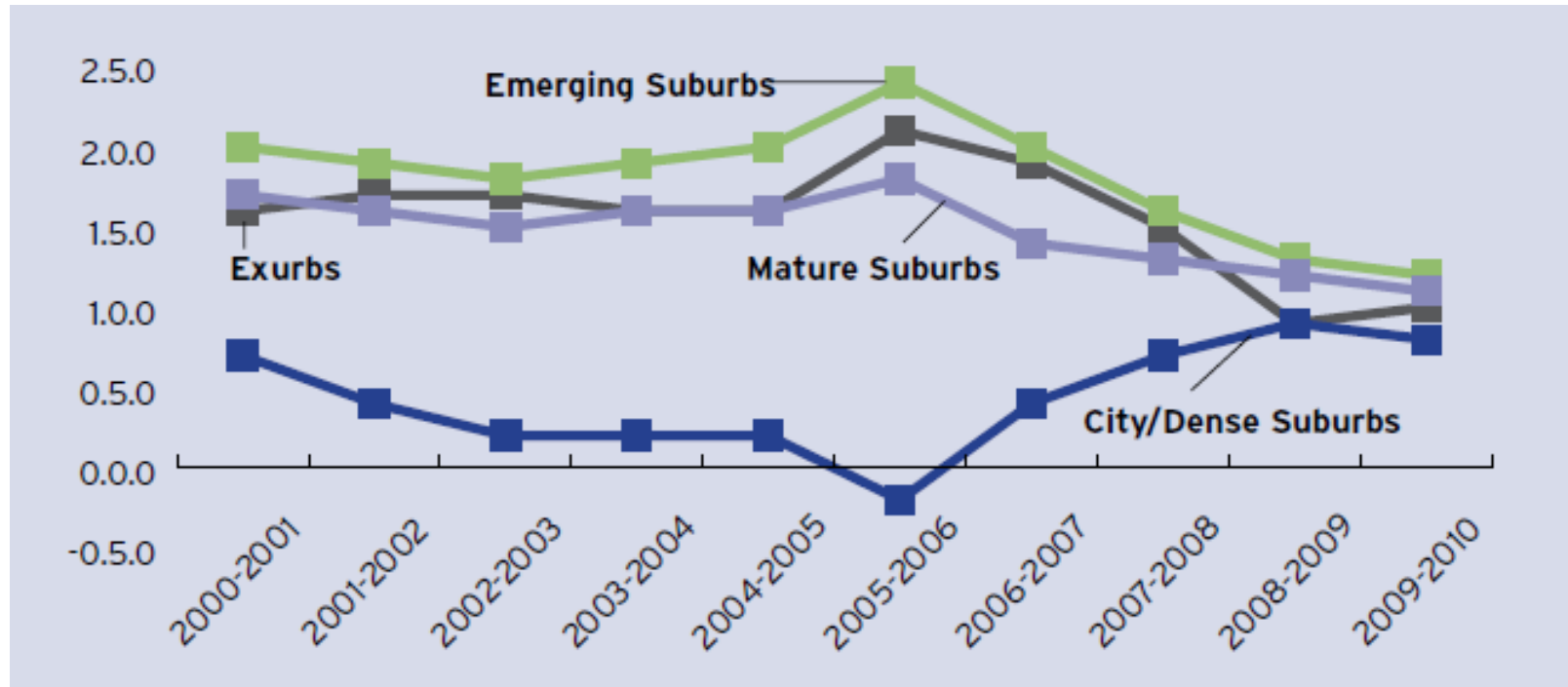
Source: CURA Reporter,  
Winter/Spring 2014

U.S. Census Bureau data

# Population growth rates have converged over the last decade



# Growth rates are converging nationally too



Source: Brookings Institution

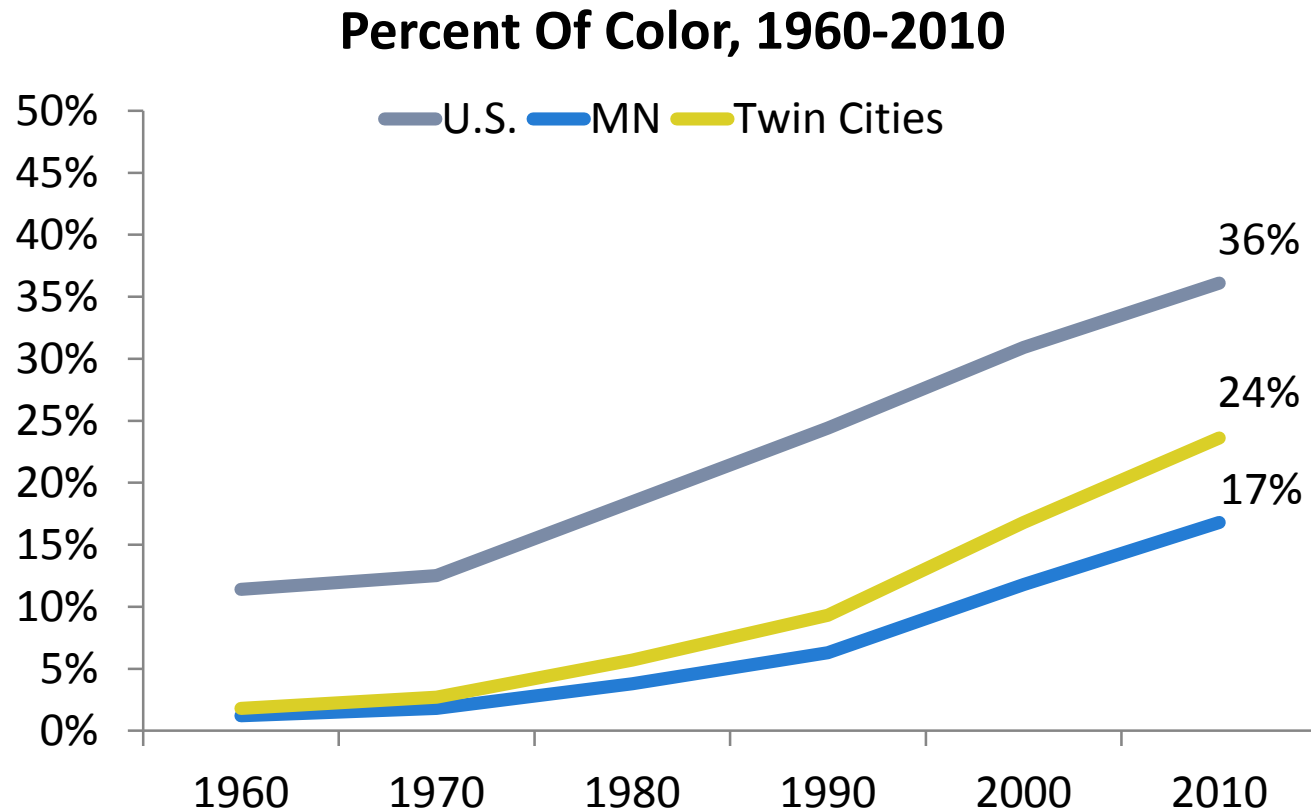


## **Trend 2**

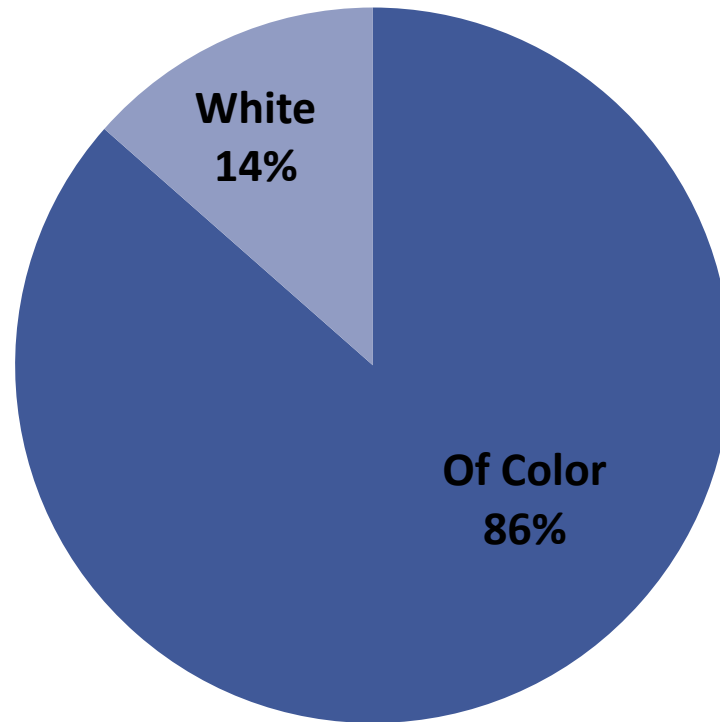
# **Increasing Diversity**



# 50 years of growing diversity in our region, state, nation



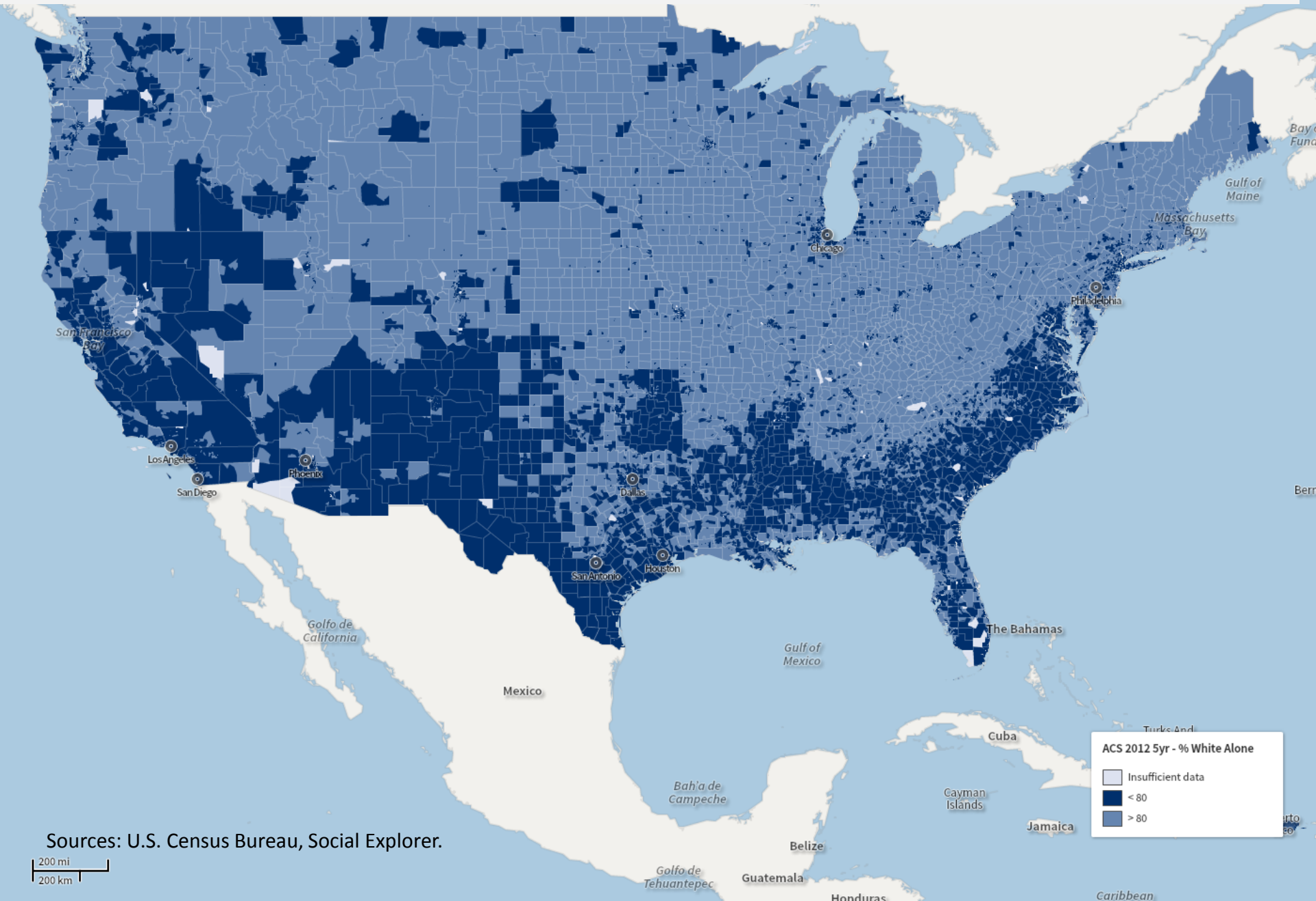
# Between 2000 and 2010 most of Minnesota's growth was Populations of Color



350,000 more Minnesota residents in 2010 than in 2000

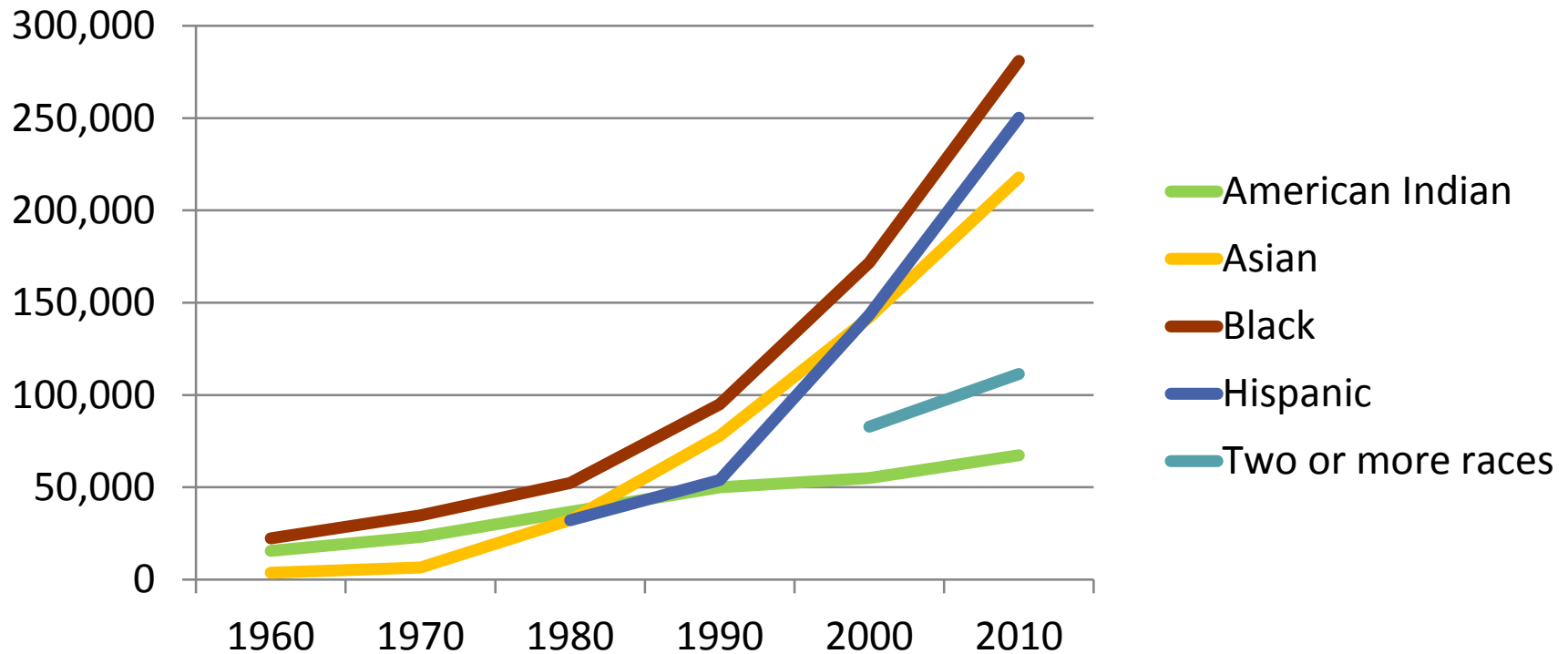
Source: U.S. Census Bureau

# Populations of Color > 20%



# Black, Latino and Asian populations growing rapidly

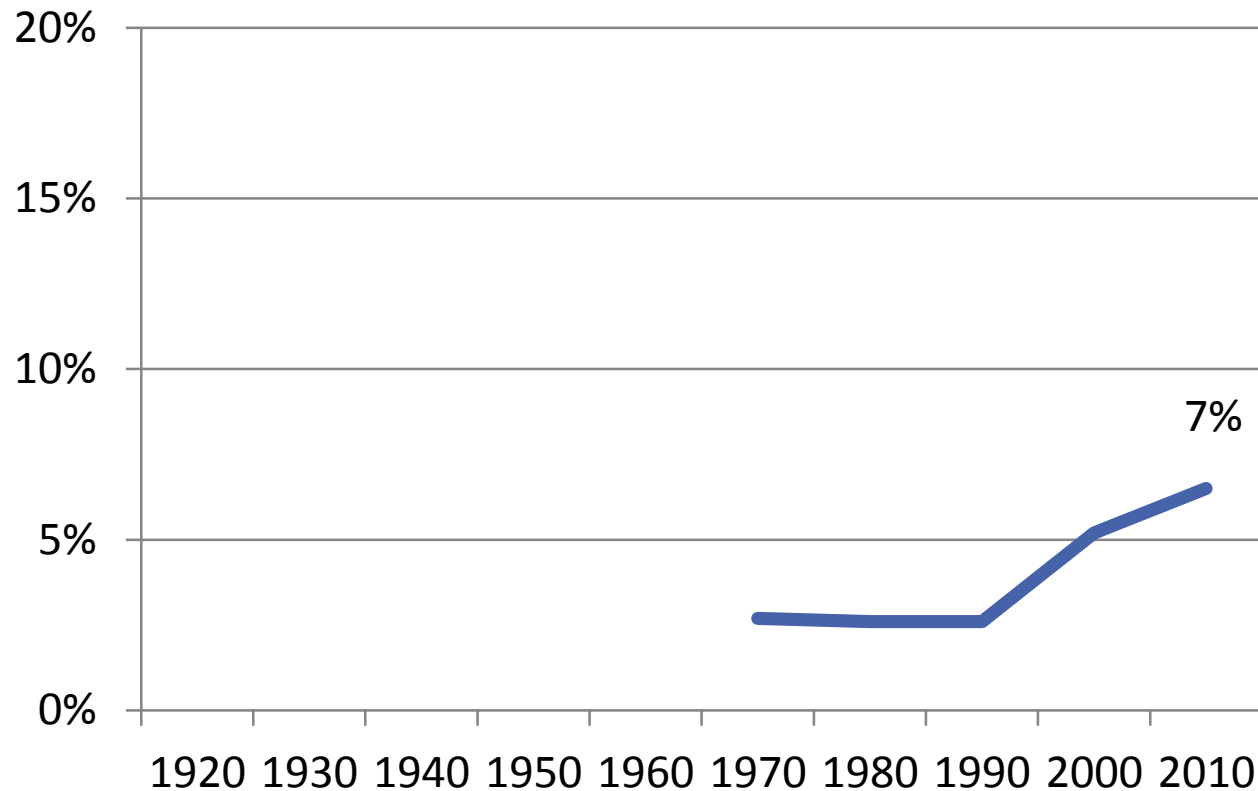
Populations of color, MN



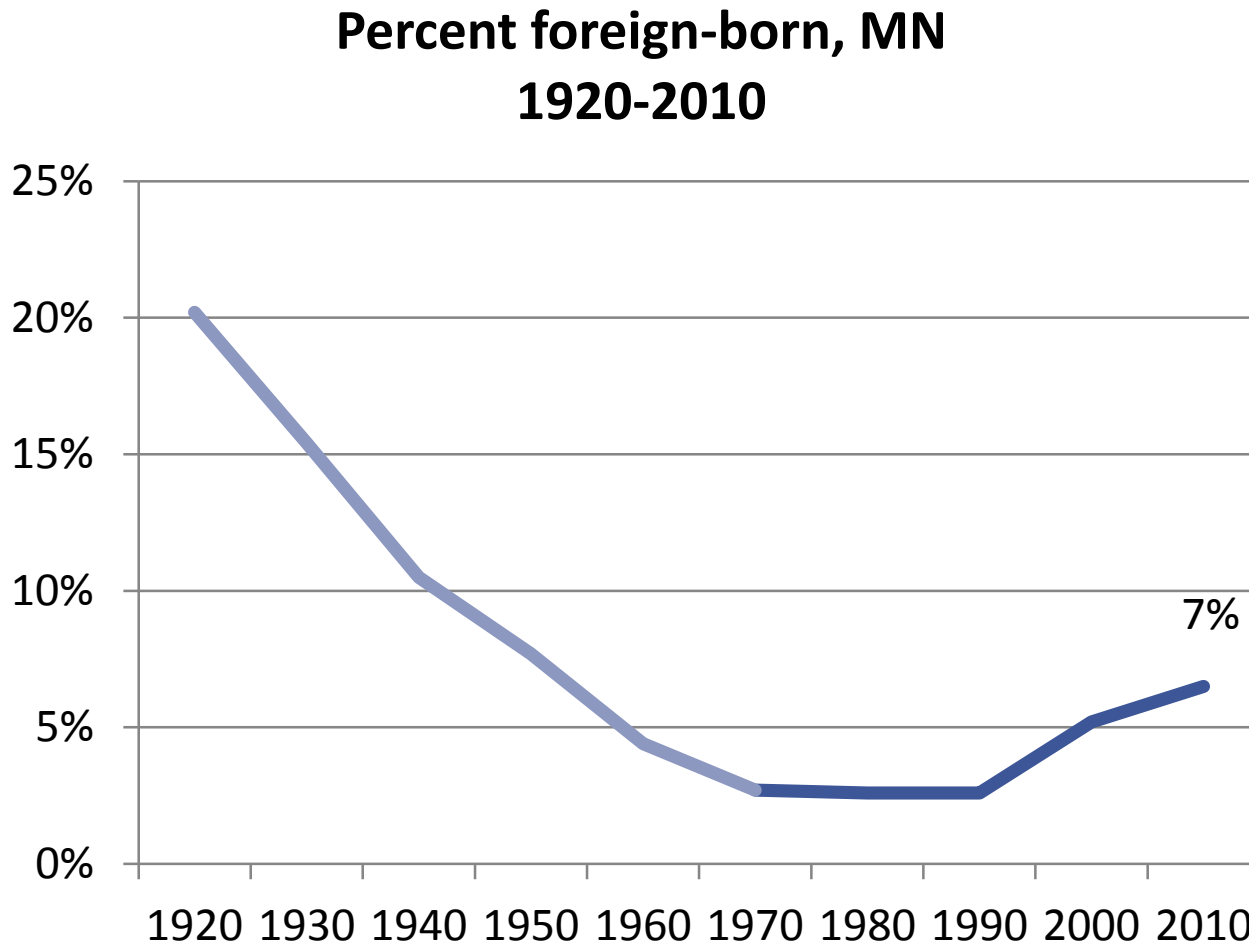
Source: Tabulated by the Minnesota State Demographic Center from the Integrated Public Use Microdata Series

# International immigration has been increasing in recent decades

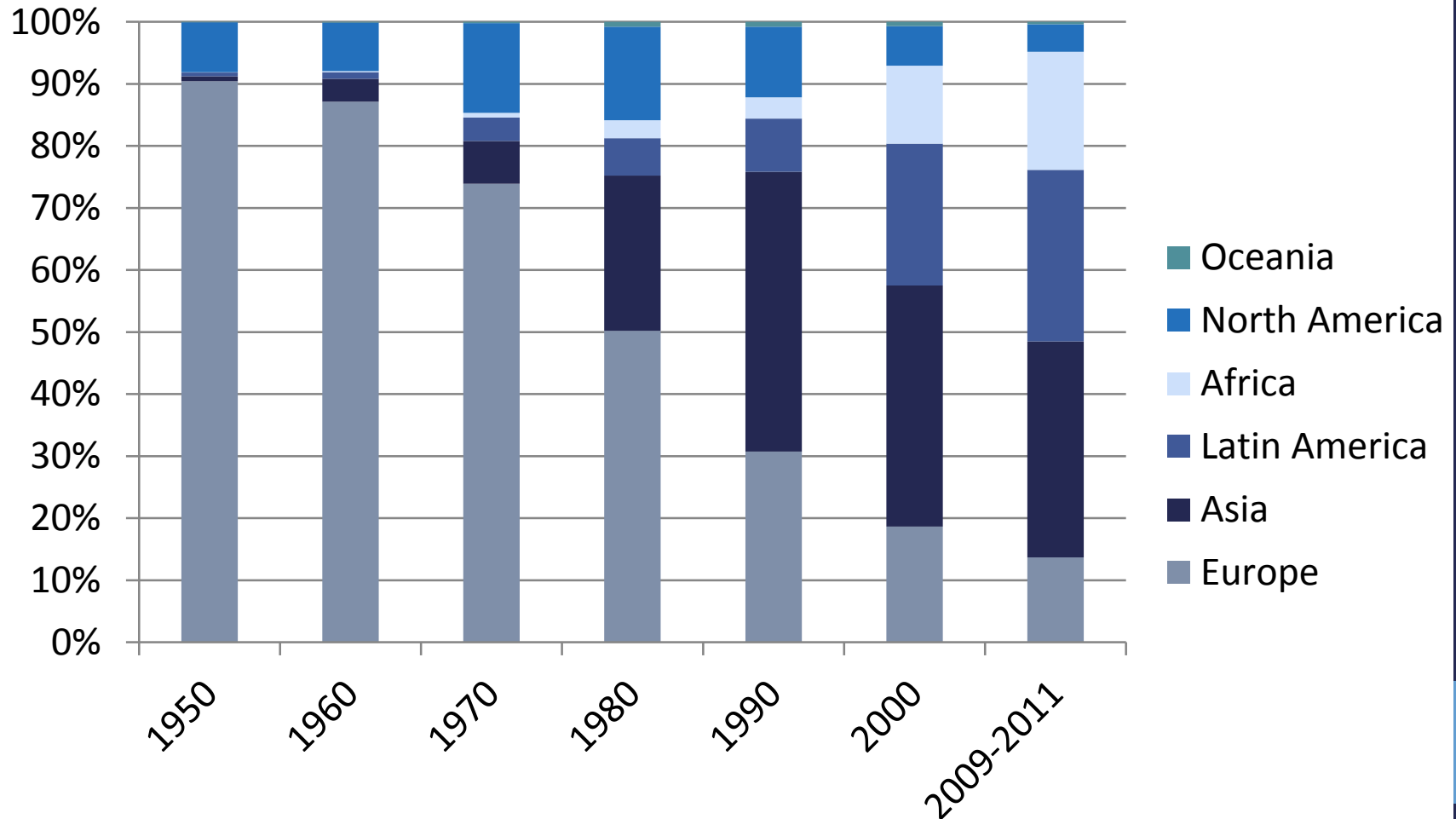
**Percent foreign-born, MN  
1920-2010**



# ...but immigration is not a new phenomenon



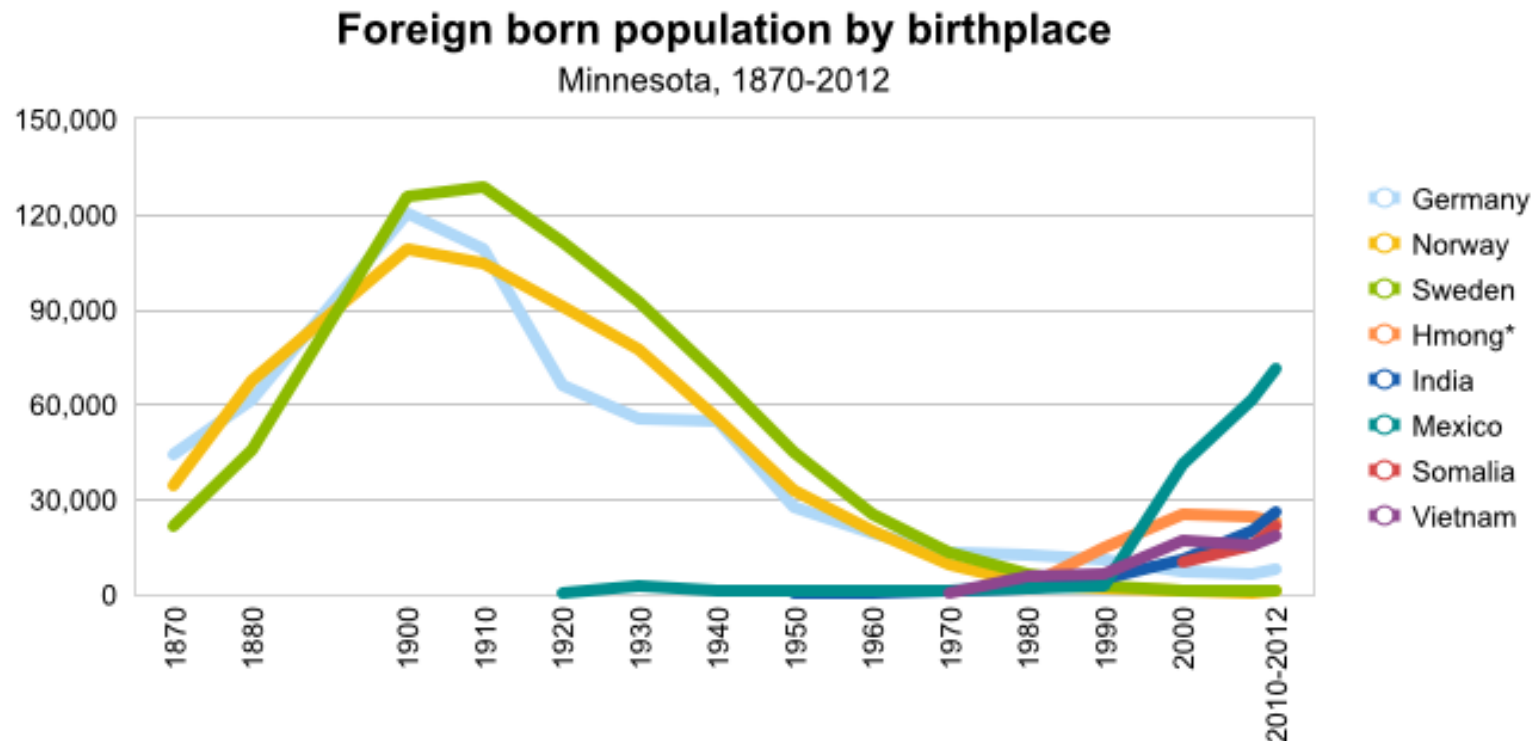
# + Our foreign-born population is becoming increasingly diverse



Source: Tabulated by the Minnesota State Demographic Center from the Integrated Public Use Microdata Series

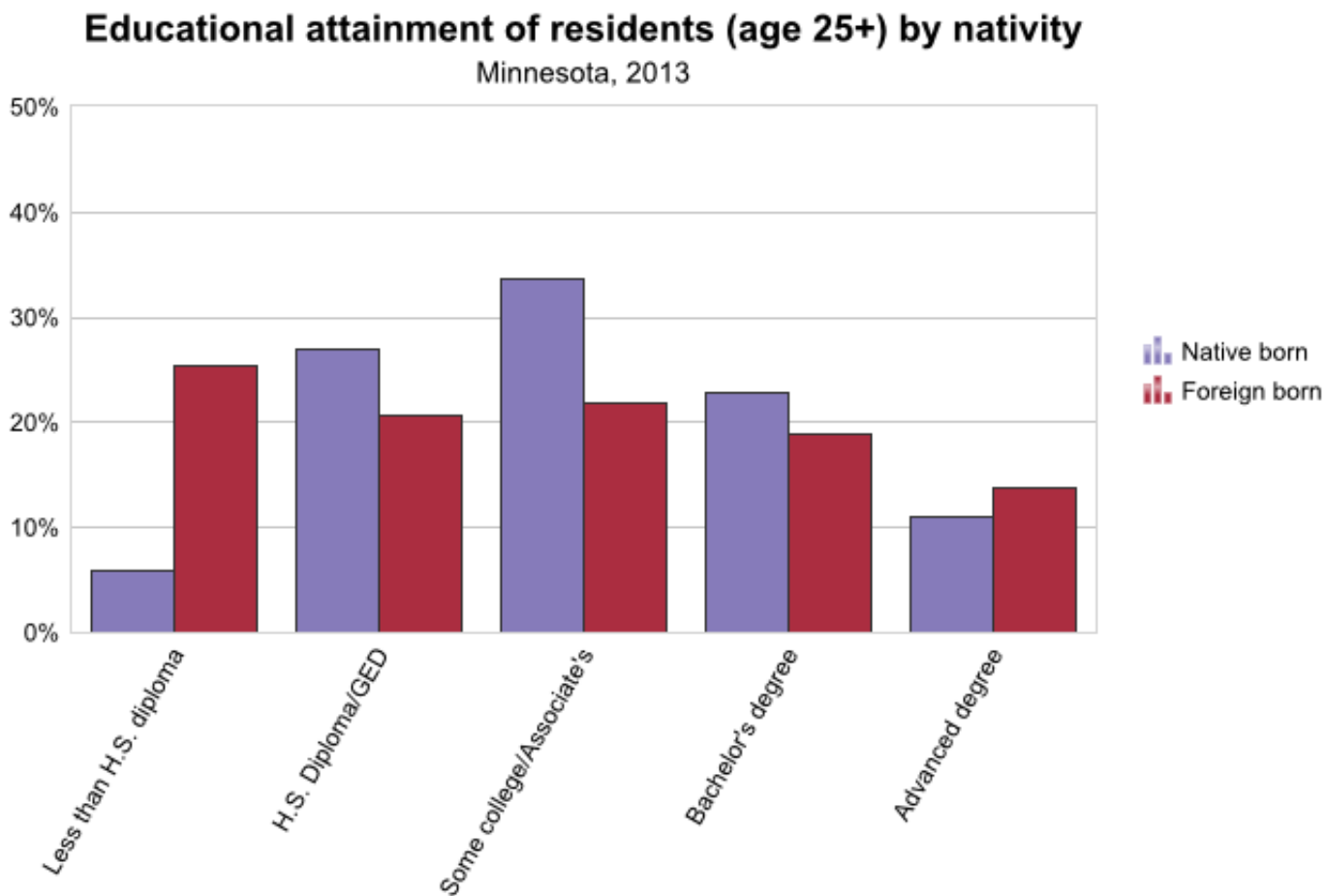


# Foreign born population increasingly diverse



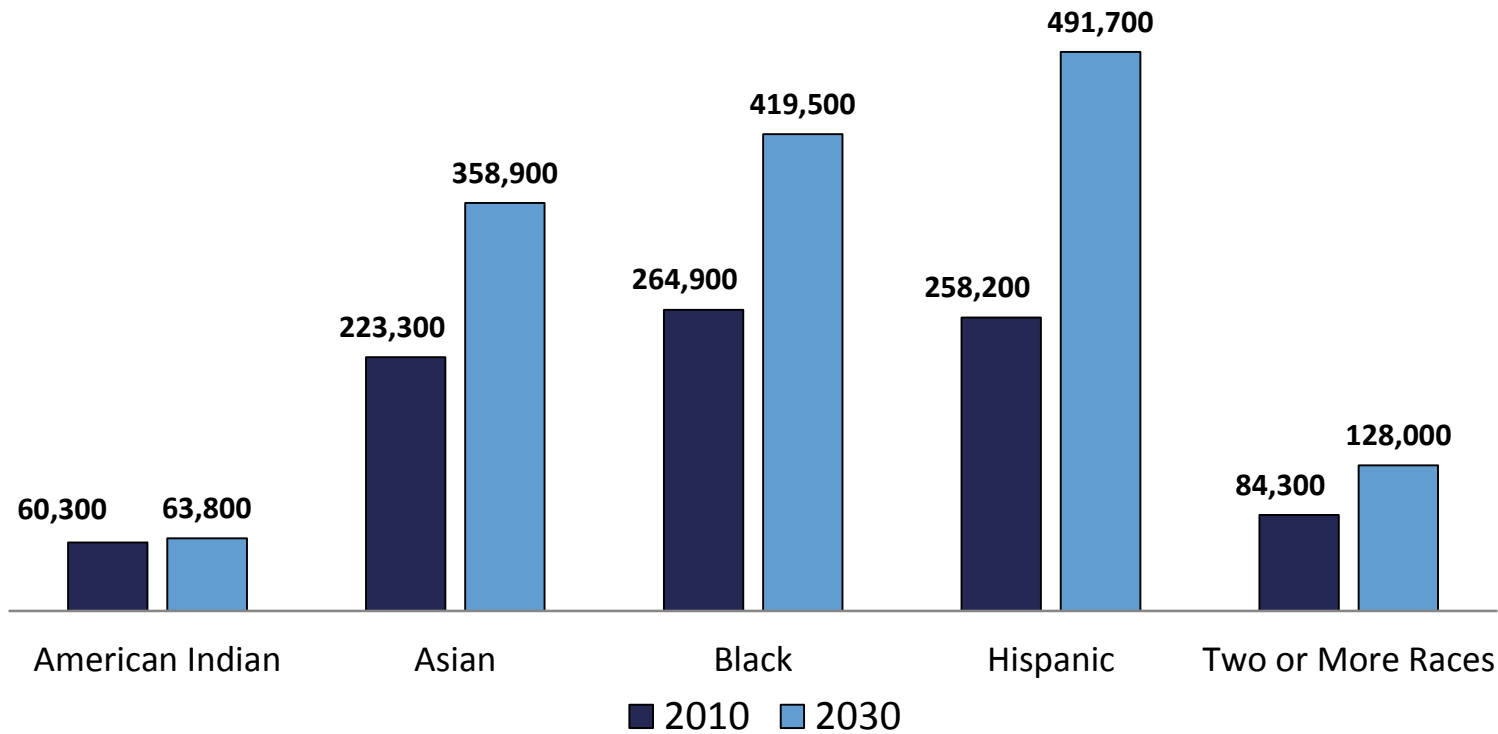
Source: Compiled by MN Compass from U.S. Census Bureau data

# Education of immigrants high at both ends of the attainment spectrum



Source: Compiled by MN Compass from U.S. Census Bureau data

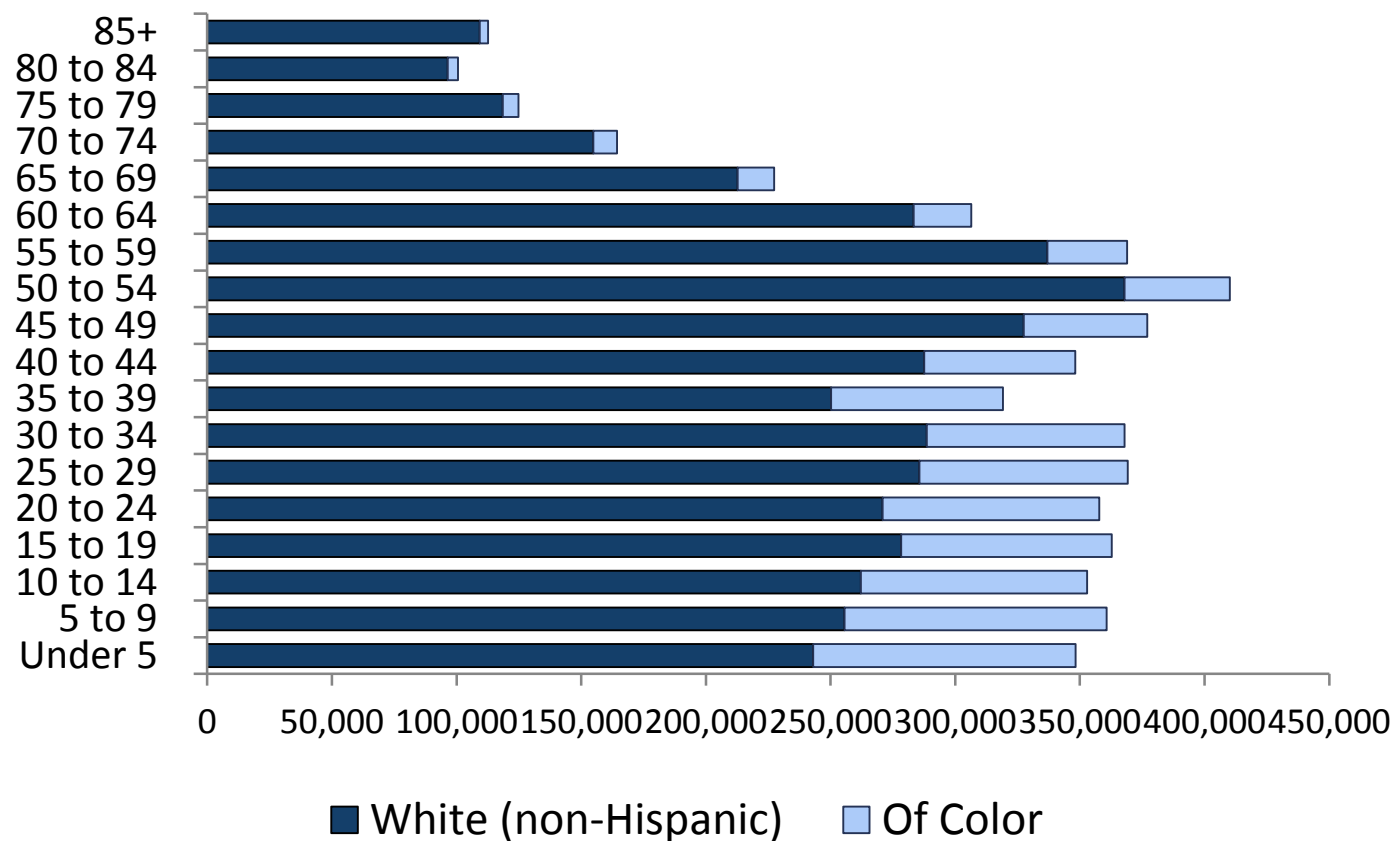
# MN: Largest population growth among Asian, Black and Latino groups by 2030



Source: Minnesota State Demographic Center projections.

# Minnesota by race, 2012

**White (non-Hispanic) and Of Color Population**  
Minnesota, 2012



Source: 2012 Population Estimates, U.S. Census Bureau.

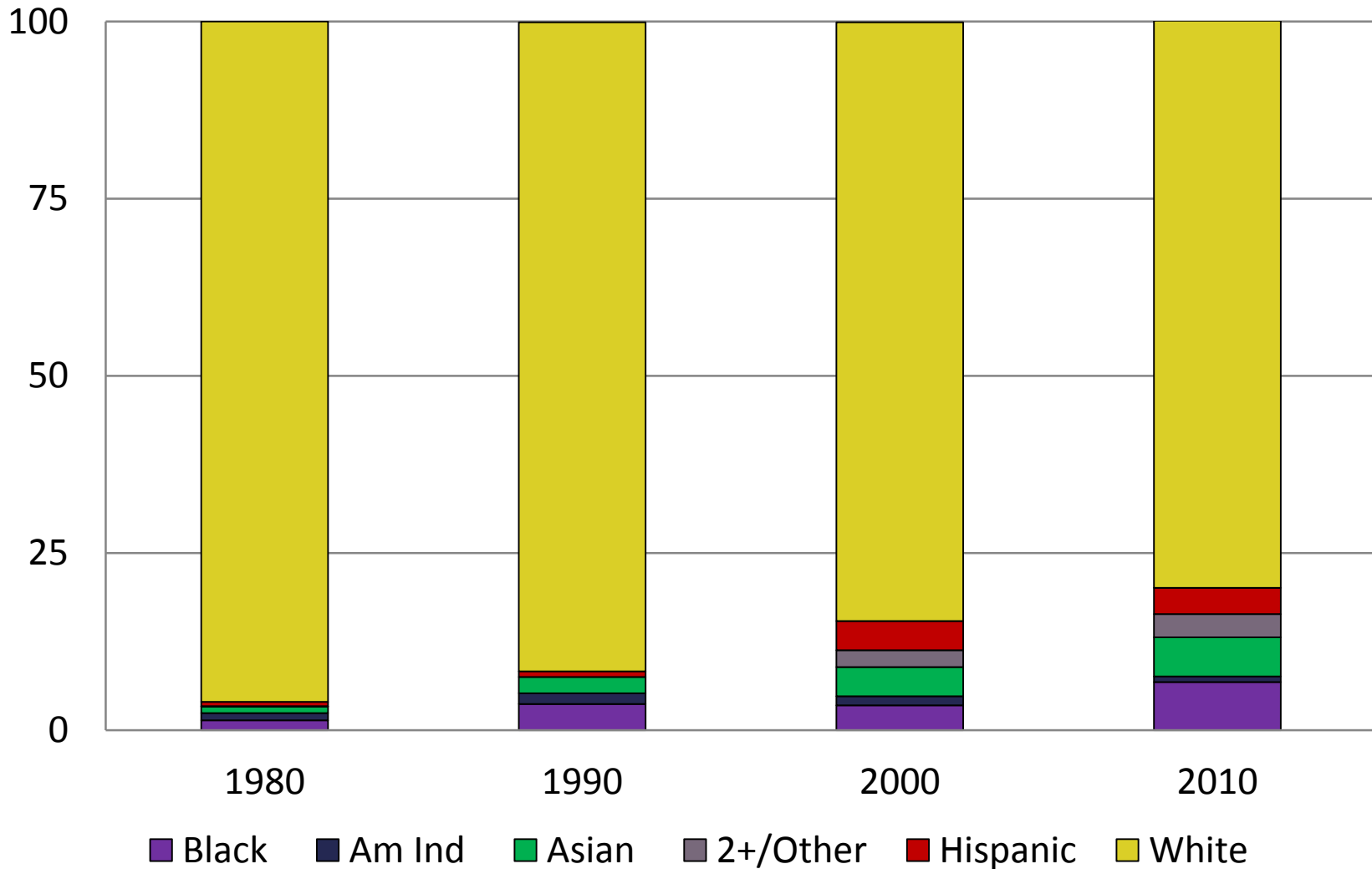


# WHAT DOES IT MEAN TO YOU?

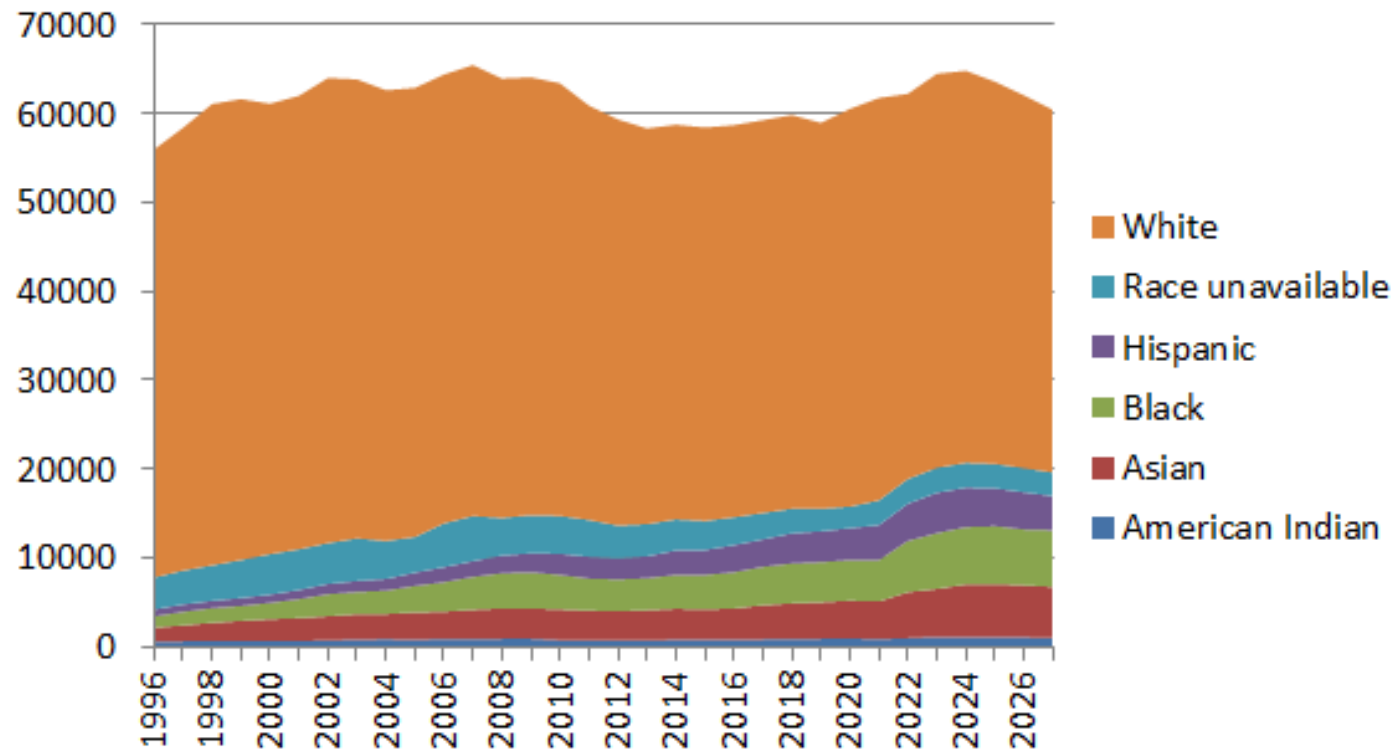
Implications of Demographic Change for Enrollment  
Admissions & Financial Aid

# Young adult population by race, 1980-2010

Young adults (age 18-24) Minnesota, 1980-2010

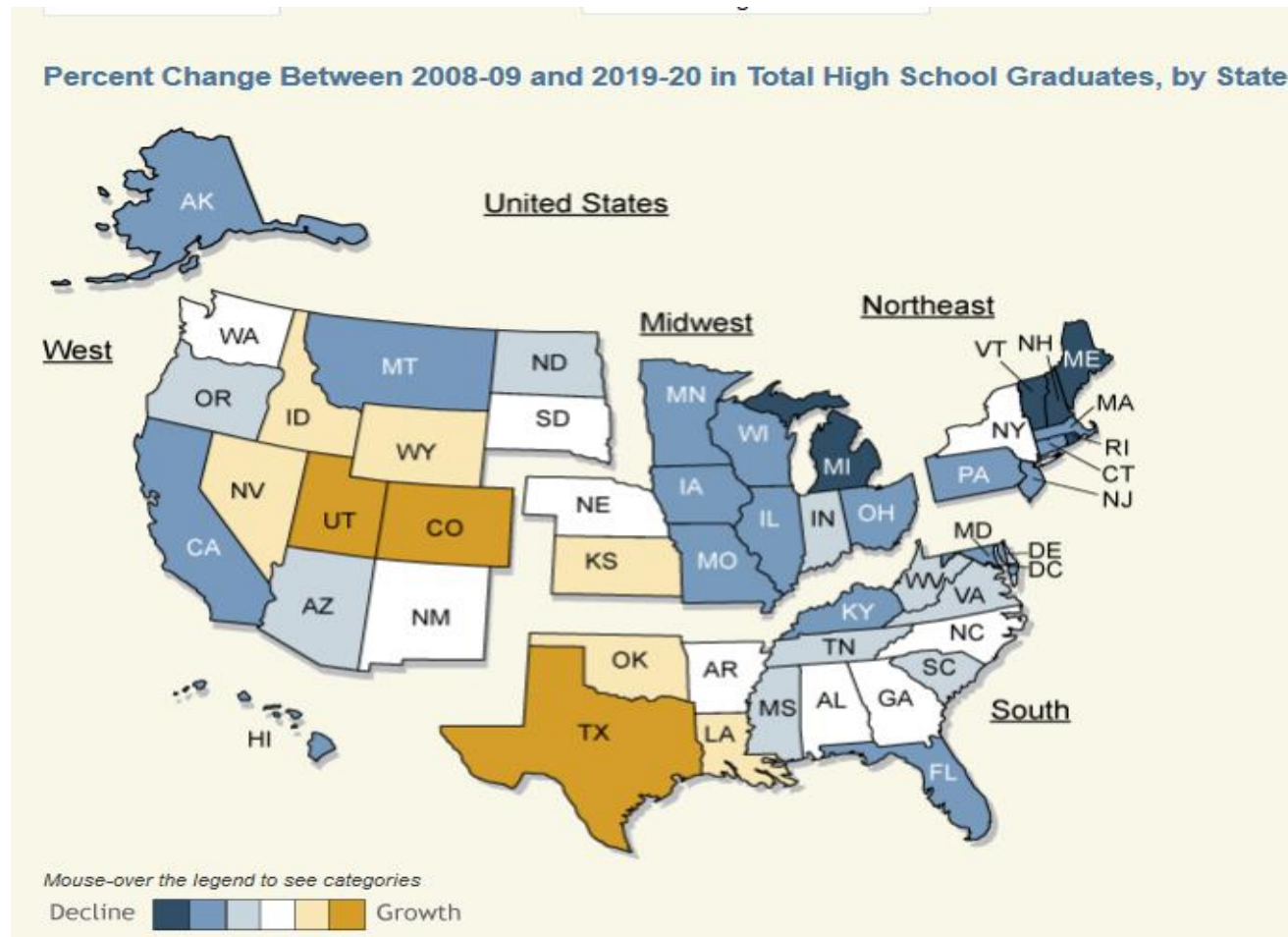


# Numbers of Minnesota high school graduates to remain low until ~2020



Source: Western Interstate Commission for Higher Education

# Decline in High School Graduates projected for the Midwest

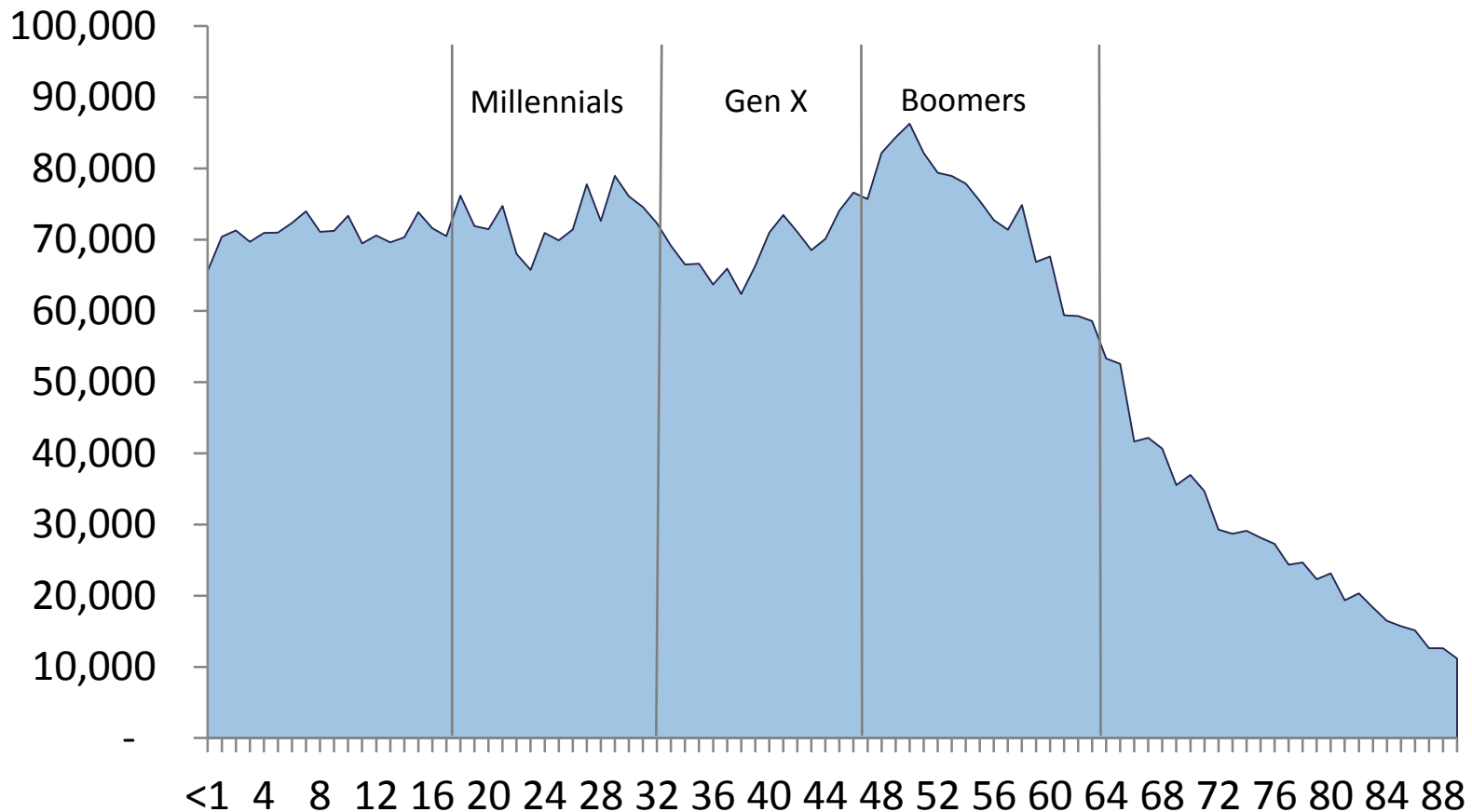


Source: Western Interstate Commission for Higher

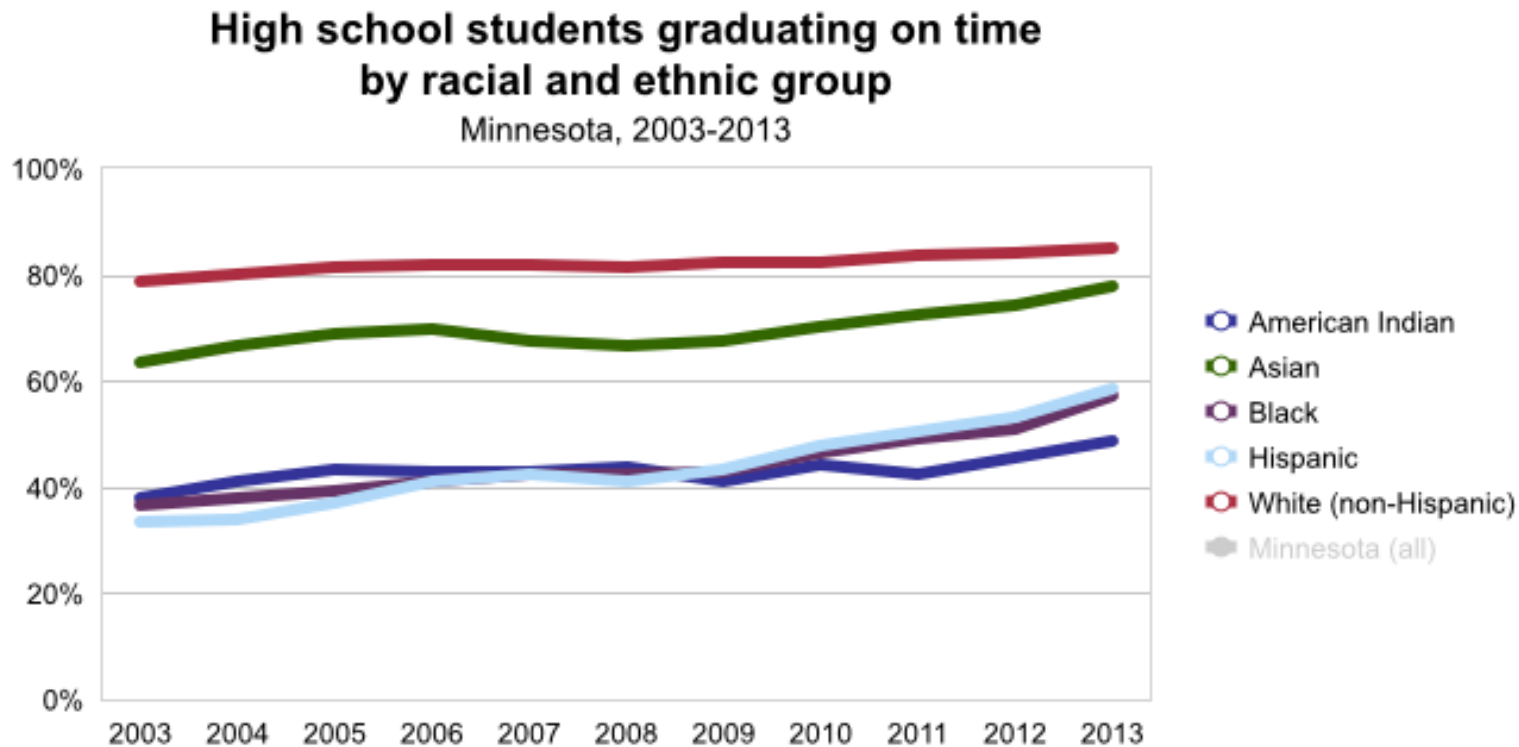


# MN at a glance: Largest age group now in their 50s

**Minnesotans by age, 2012**



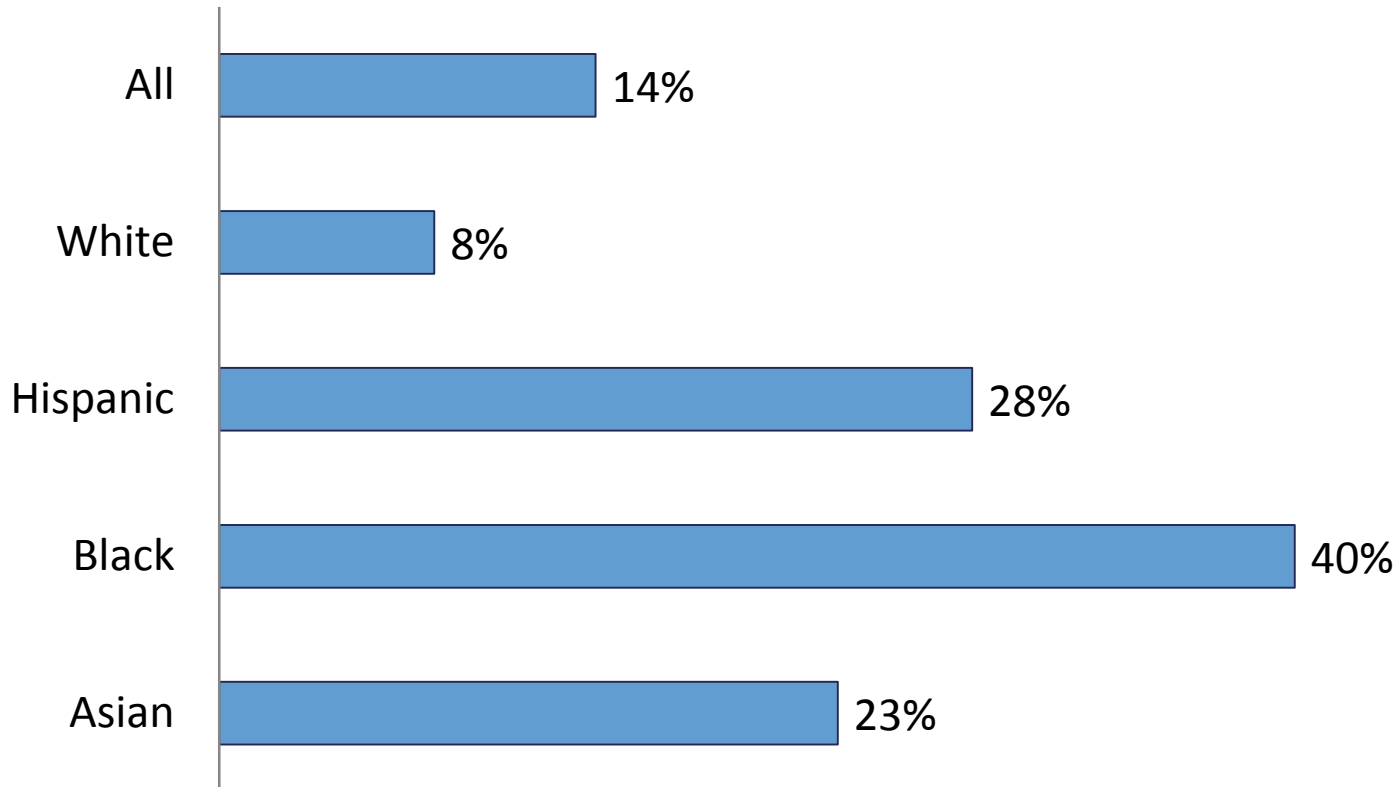
# 20+ percentage pt. difference between lowest and highest attaining racial groups



Source: Compiled by MN Compass from MN Department of Education data

# Growing share of high-school graduates with very low family income

**Percent of Children in Poverty  
Minnesota, 2013**



# Implications of Demographic Change

- Fewer high-school graduates in the Midwest until about 2020
- Increasingly diverse population of young adults
- Among young people of color: Higher proportion with academic and financial barriers

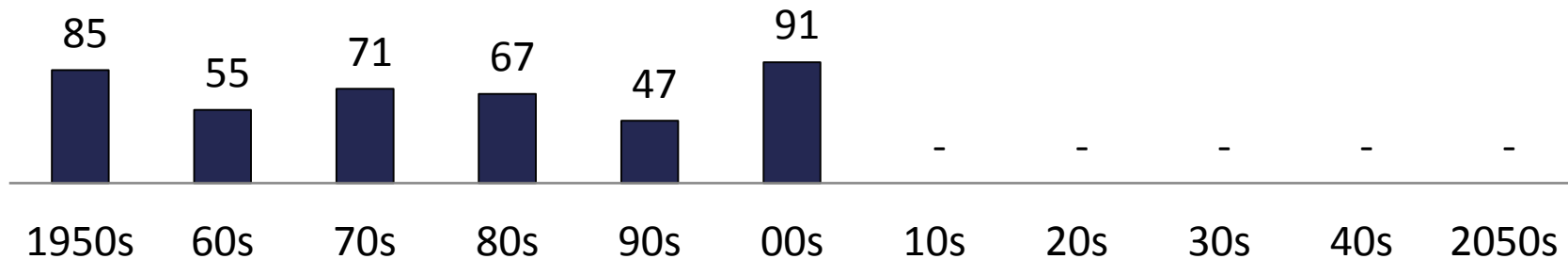
# **PANEL DISCUSSION**

**Demographic  
Trend:  
Population Aging**



# How many additional “older adults” will Minnesota gain during this decade?

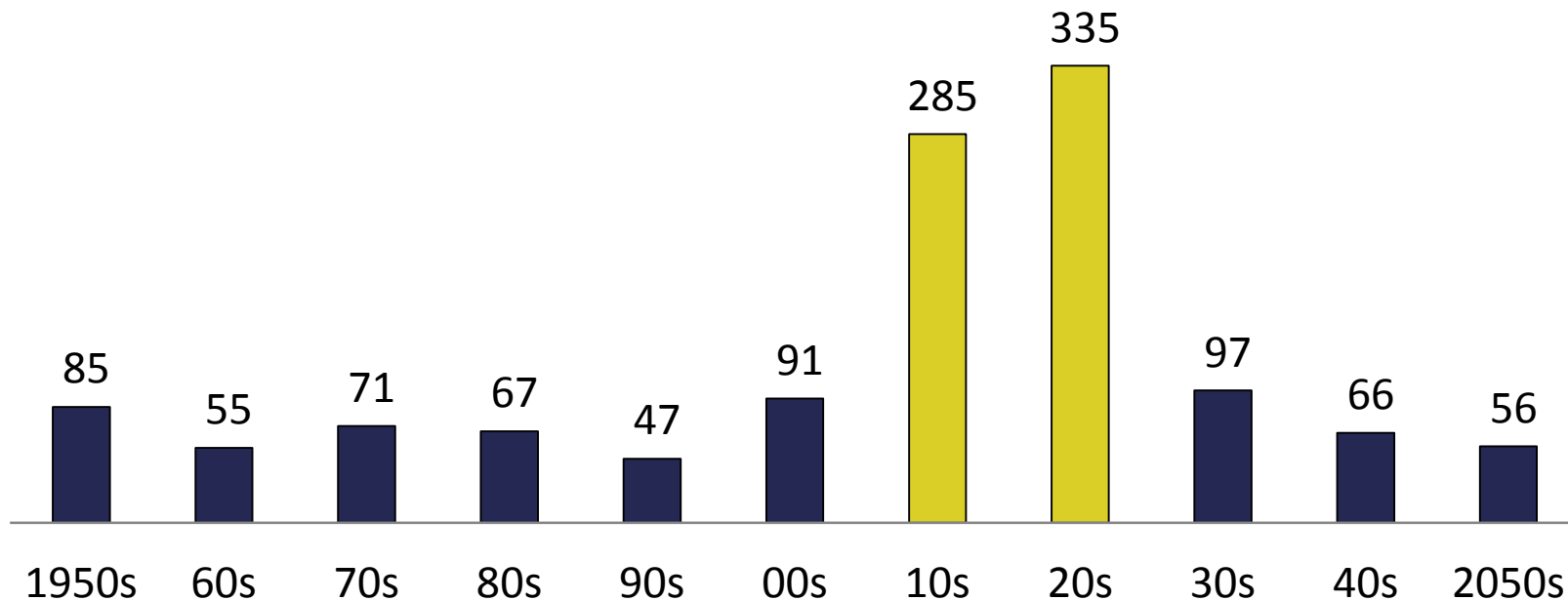
Change in older adults, age 65+ (in thousands)



Sources: U.S. Census Bureau

# Unprecedented increases in MN's “older adult” population

Change in older adults, age 65+ (in thousands)

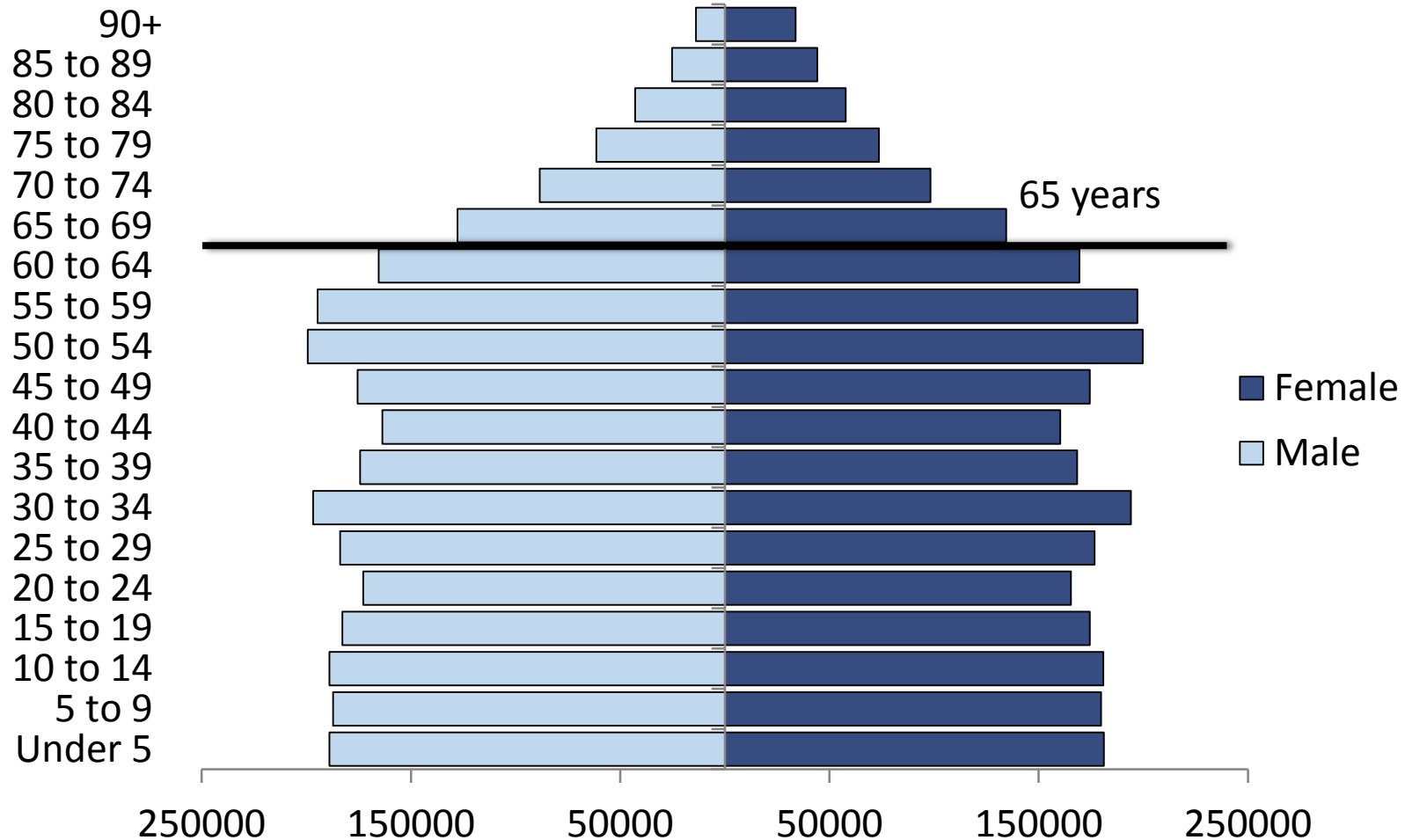


Sources: U.S. Census Bureau, MN State Demographic Center



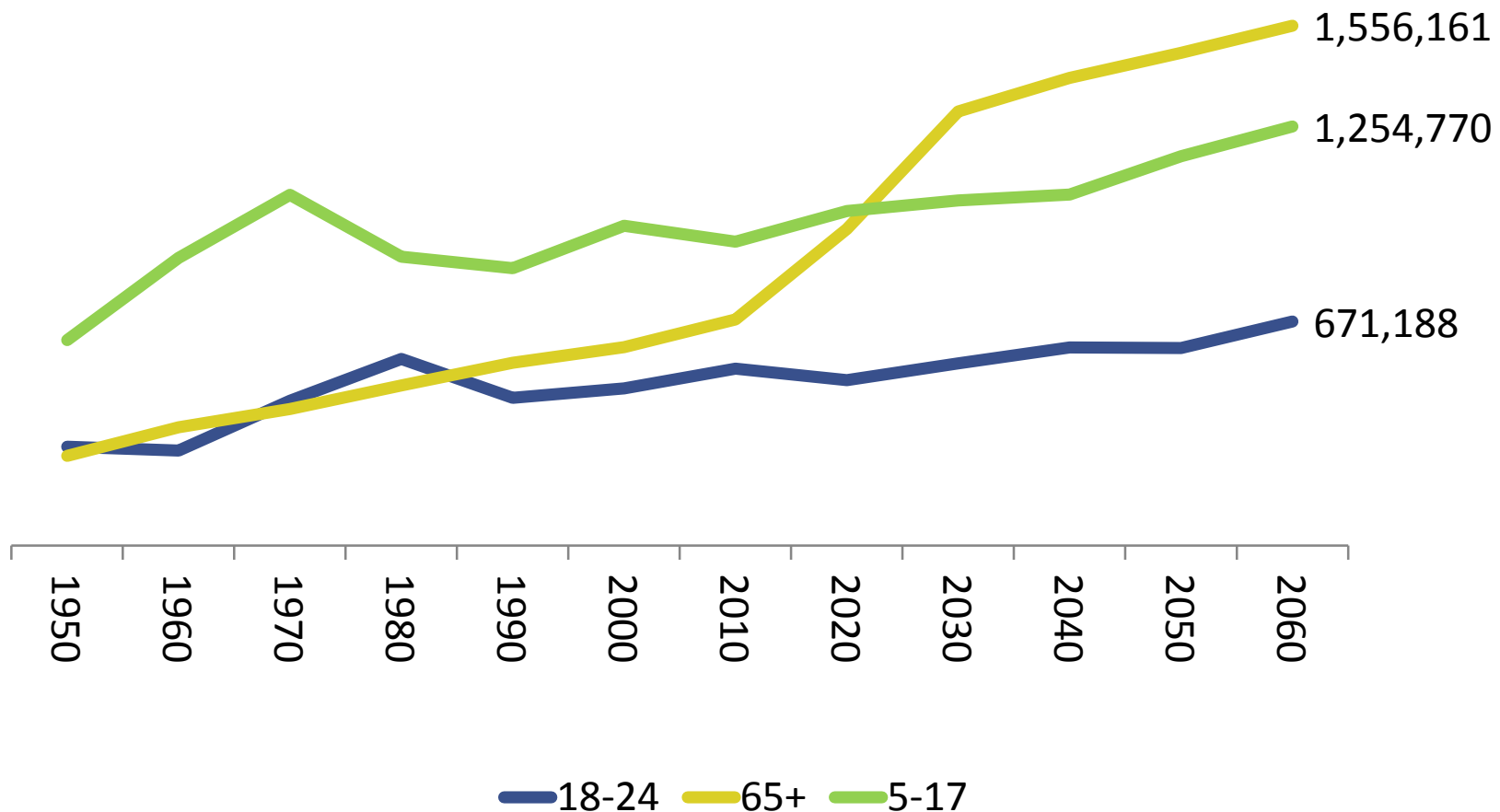
# Why are the changes so marked now?

## Population by age and sex Minnesota, 2015



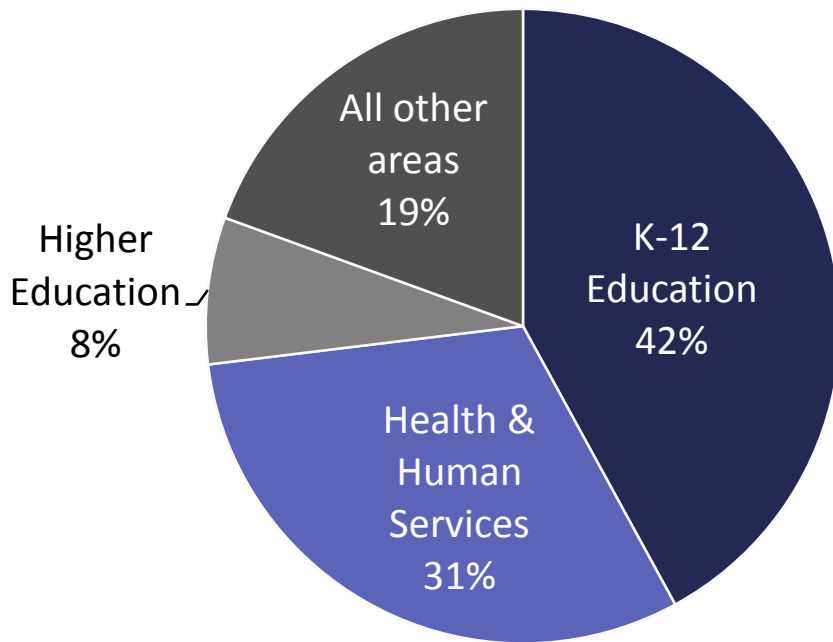
# Budget pressures will change

## More 65+ than school-age by 2020



# Increasingly our demographics will change demand for services

## General Fund Expenditures

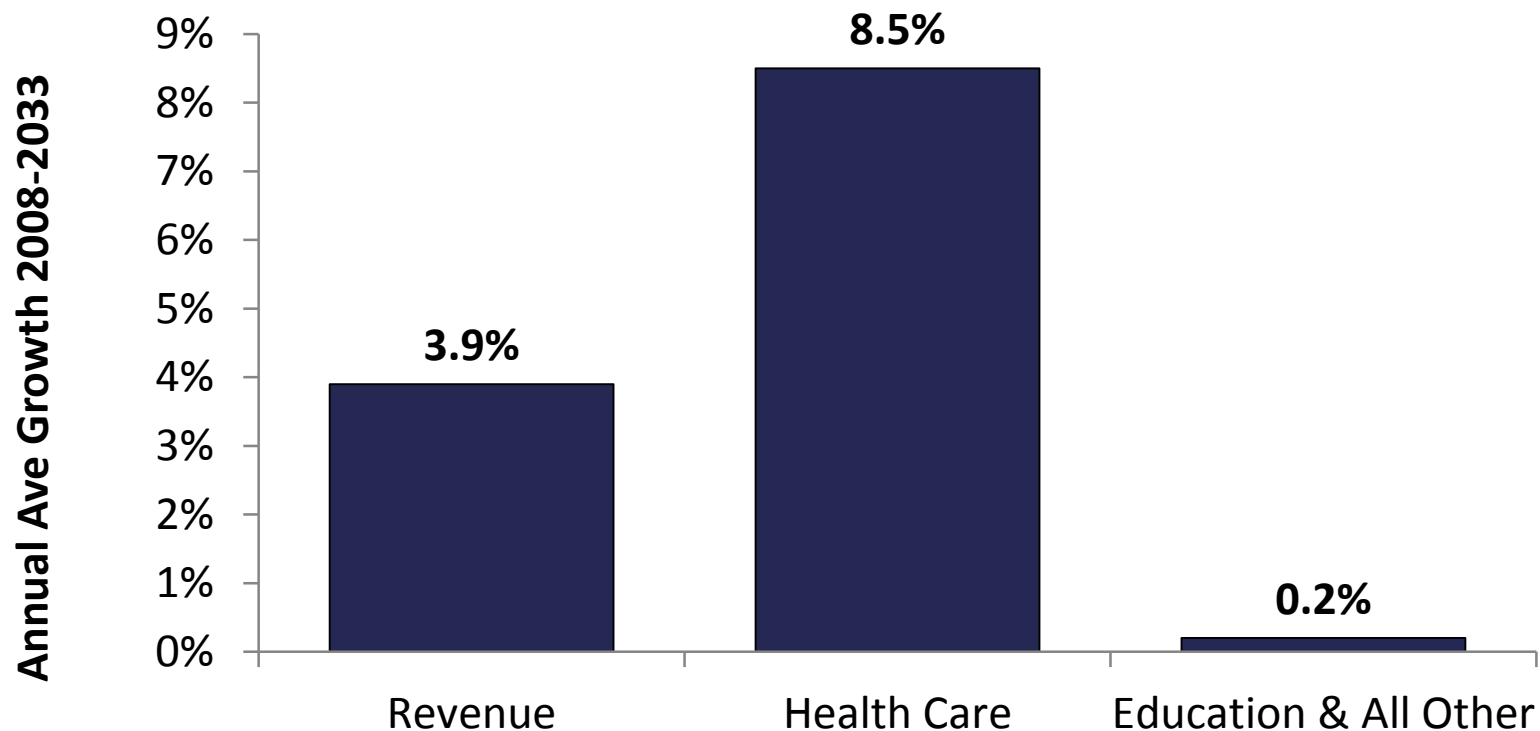


## Within Health & Human Services

- Medical Assistance Expenditures: 25% of GF spending (8.5 billion)
- Medical Assistance Expenditures for the Elderly and Disabled: 16% of GF spending (5.5 billion)
- MA expenditures include basic care, long-term care waivers and long-term institutional care

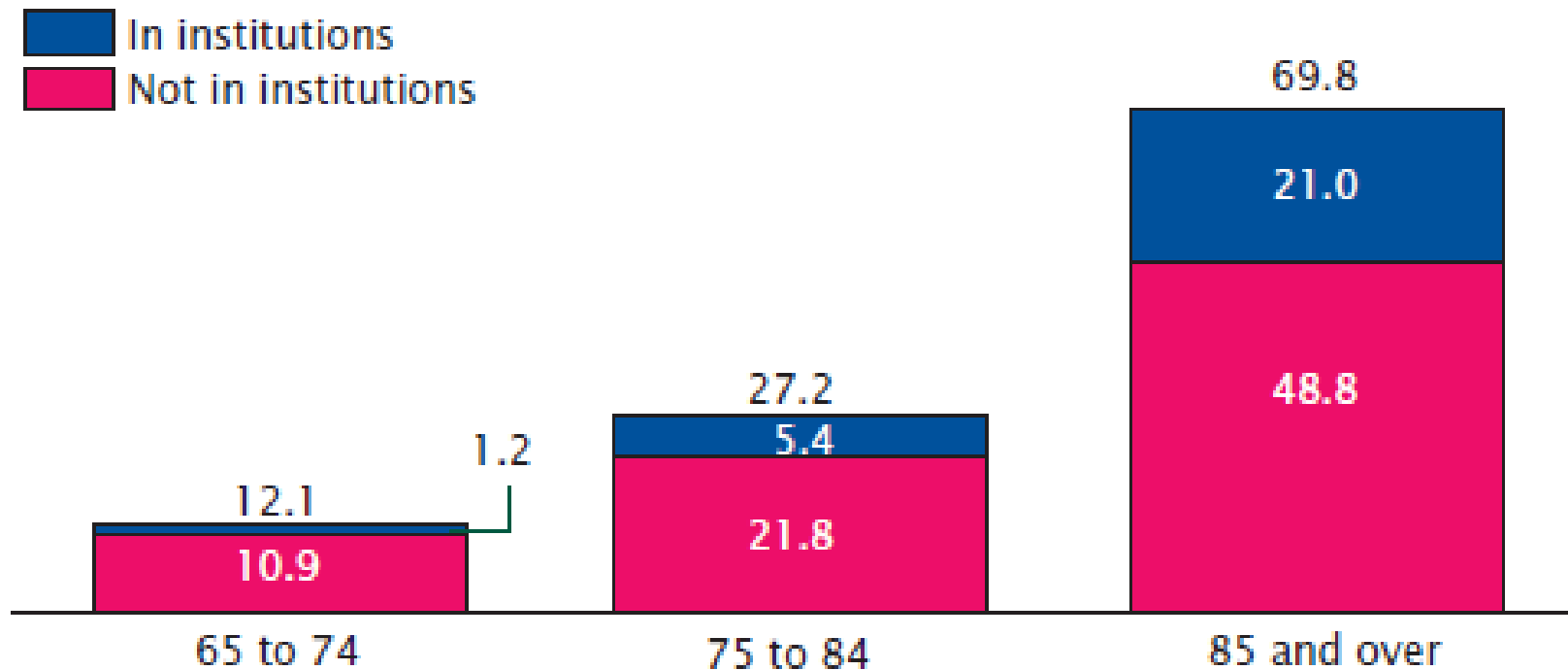
Sources: Minnesota Management and Budget, February 2013. House Research, Long-Term Care Services for the Elderly, November 2012

# If state health care costs continue unabated, other services crowded out (imagined through 2033)



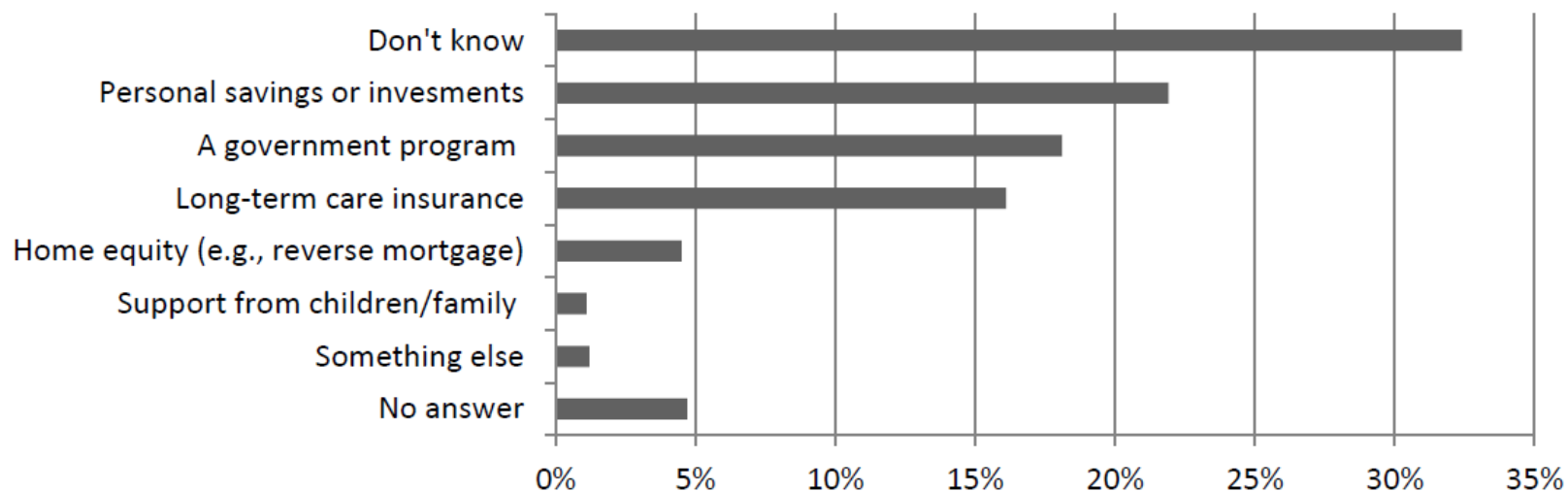
Source: General Fund Spending Outlook, presentation to the Budget Trends Commission, August 2008, Dybdal, Reitan and Broat.

# Need for long-term care is substantial after age 85



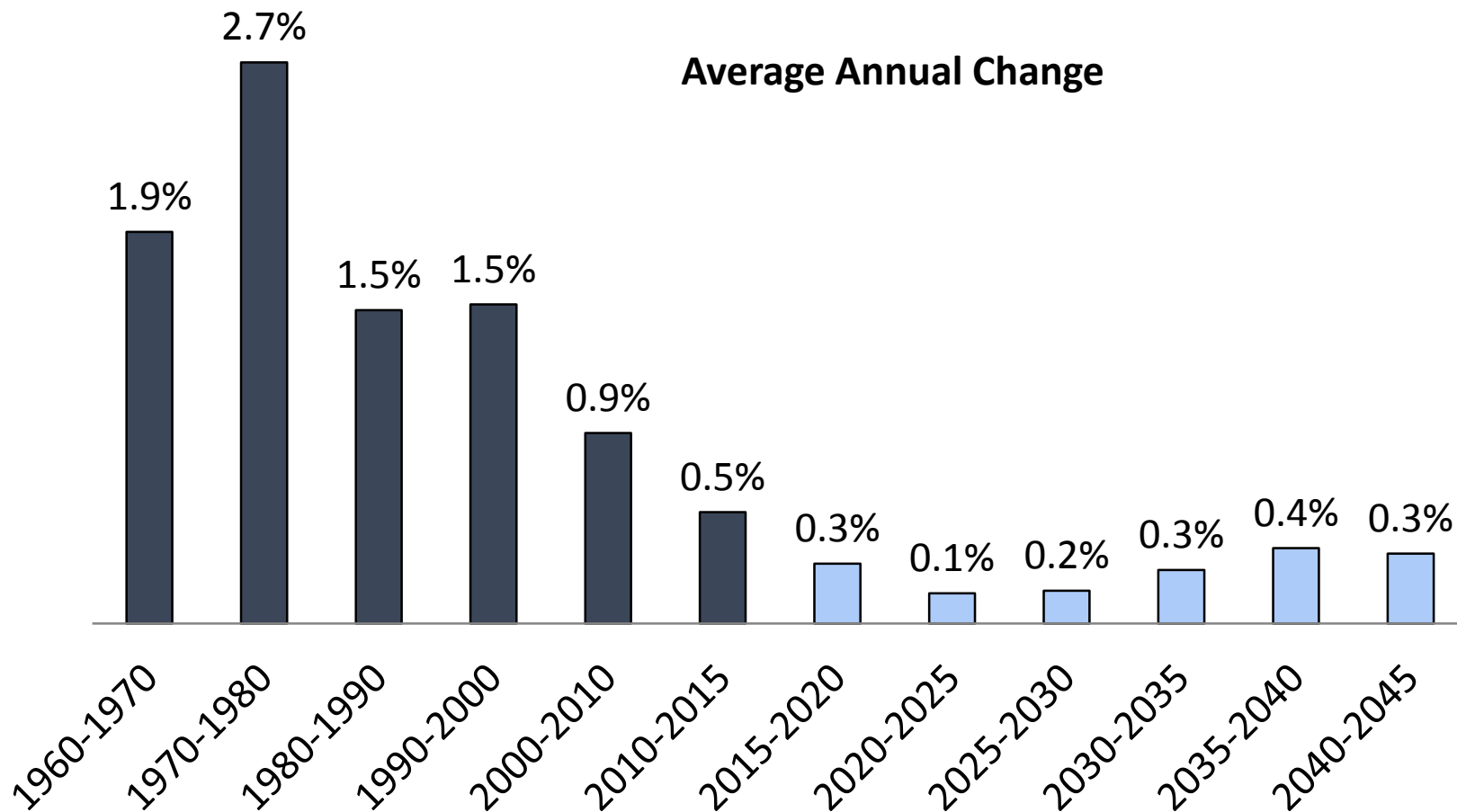
Source: Stone, 2000

# Plans to Cover the Cost of Long Term Care Baby boomers in MN, 2010



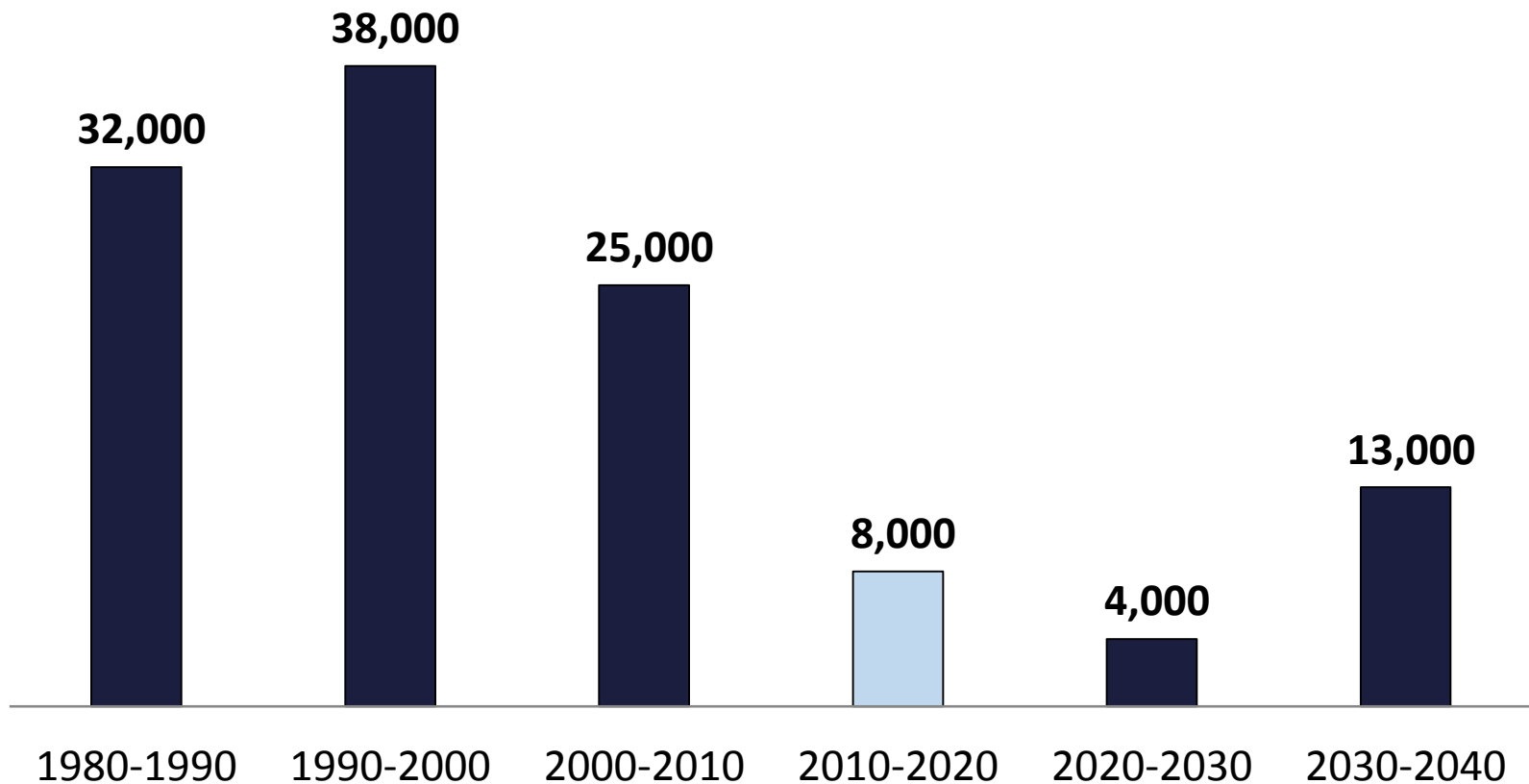
Source: Transform 2010 Survey, Minnesota Department of Human Services

# Minnesota's labor force growth is projected to slow



Source: Minnesota State Demographic Center

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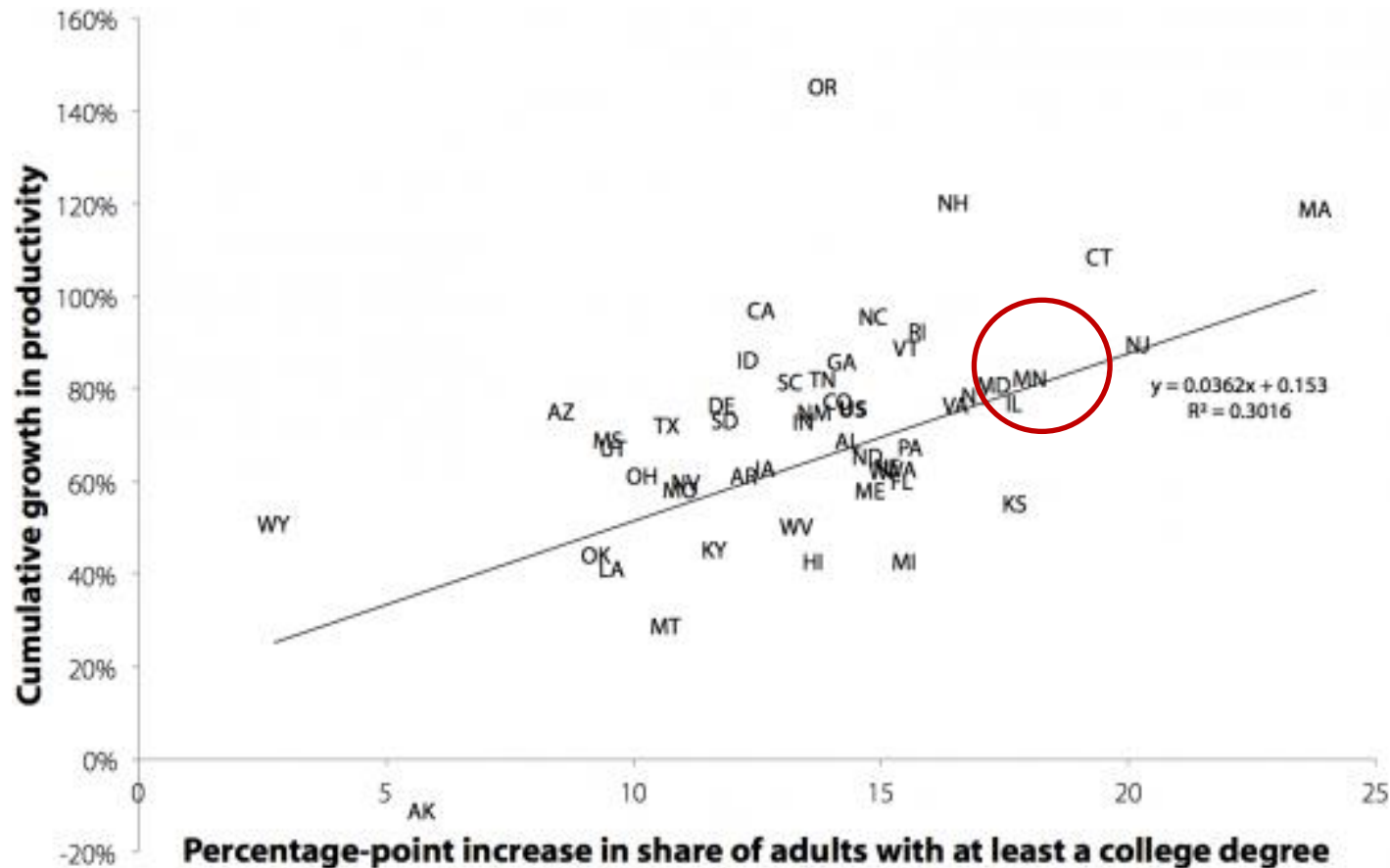


Source: U.S. Census Bureau, Minnesota State Demographic Center Projections





# States' rising educational attainment & growth in productivity: 1979 to 2012



Source: EPI analysis of unpublished total economy productivity data from the Bureau of Labor Statistics (BLS) Labor Productivity and Costs program, state employment data from BLS Local Area Unemployment Statistics, and college attainment data from the Current Population Survey basic monthly microdata

# Aging will alter higher ed, as we know it

- Public budgets will be strained as economic growth slows and aging baby boomers move into late life
- Education takes on heightened importance, as MN “grays” but higher education is difficult to attain for a larger share of young people
- Aging trend will bring new **opportunities**; and a new **license** for innovative pathways to education and well-being.

# These are tough times for too many recent college graduates

Many are not finding suitable employment and are earning low wages  
(2011-2012 school year)

Award	Number of Graduates	Grads With Reported Wages 1 Year Out	Median Hourly Wage 1 Year Out	Median Hourly Wage 2 Years Out
Certificates (less than 4 years)	11,255	7,629	\$14.57	\$15.30
Associate Degree	21,050	15,045	\$15.01	\$16.35
Bachelor Degree	31,698	19,966	\$16.86	\$19.30
Graduate Degree	14,596	8,893	\$29.75	\$31.48
All Awards	78,675	51,585	\$17.05	\$18.85

- The wage rate needed to provide a minimal standard of living to a partnered couple with one child and one full-time worker is \$19.37 per hour, but the majority of the jobs held by recent grads are not full-time, and they wouldn't support a family if they were

Source: Steve Hine, DEED, Presentation at MN North Star Summit

# Less than half of working grads have full-time permanent jobs

Award	Annual Median Earnings of All Employed Graduates in 2 <sup>nd</sup> year after graduation	Percent working full-time and year-round in 2nd Year	Median Earnings of Full-time Employed in 2nd Year
Certificates (less than 4 years)	\$22,623	35%	\$36,001
Associate Degree	\$24,480	37%	\$37,772
Bachelor's Degree	\$30,130	43%	\$41,497
Graduate Degree	\$52,403	51%	\$64,419
All Awards	\$29,831	42%	\$42,942

- The annual equivalent of that livable wage for a married couple with one child is \$40,290, so the 42% of all grads and the 43% of bachelor grads with a permanent full-time job are just making it two years after graduation. Those with less than a BA are still not, even when employed full-time.

Source: Steve Hine, MN Department of Employment and Economic Development

# Examples of fields of study with differing employment outcomes

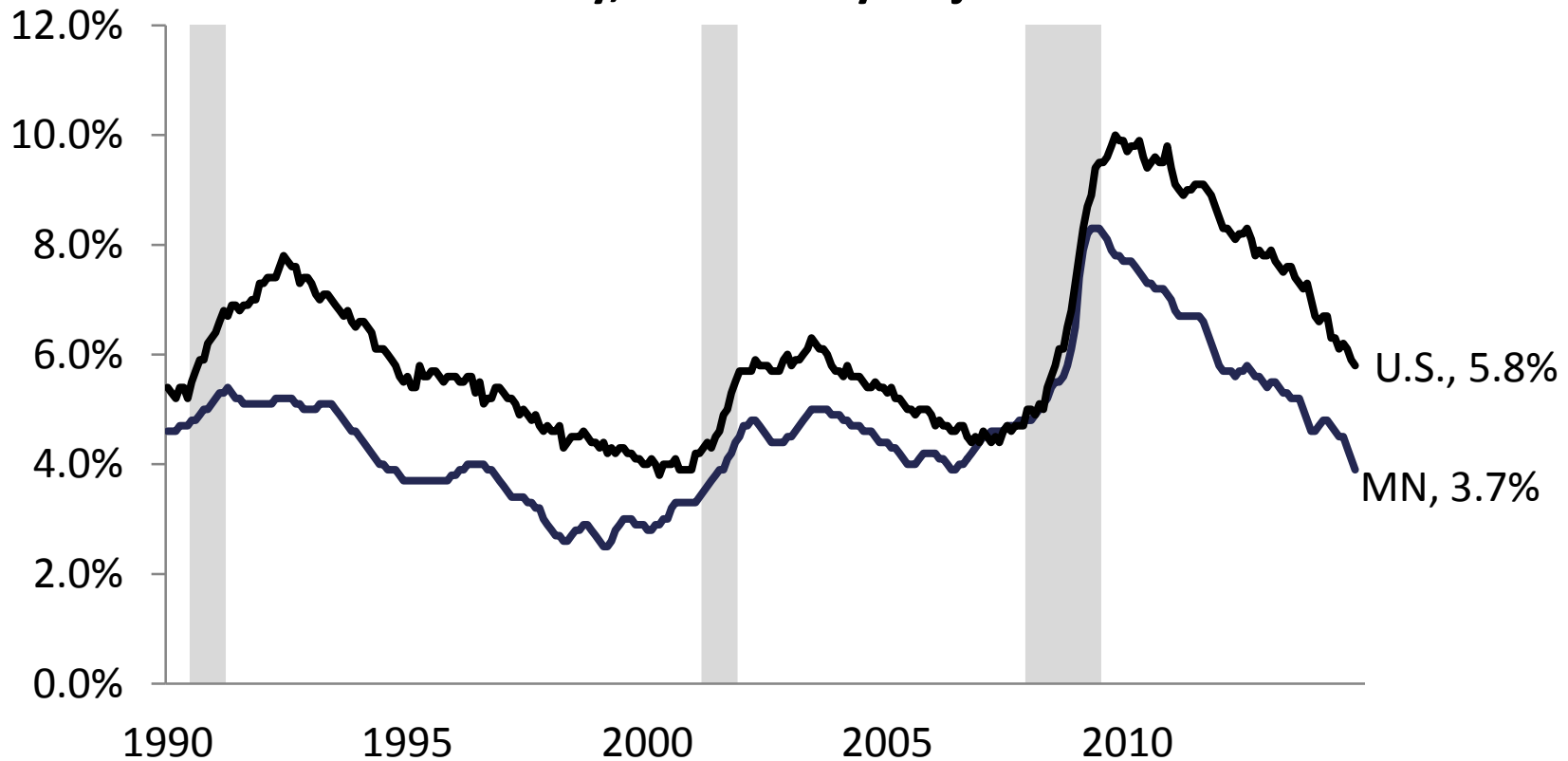
	Instructional Program Bachelors Degree Award	Number of Bachelor Degree Graduates	Annual Median Earnings of All Employed Graduates in 2 <sup>nd</sup> year after graduation	Percent working full-time and year- round in 2nd Year	Median Earnings of Full-time Employed in 2nd Year
Well Aligned	Engineering	1,217	\$55,489	69%	\$59,124
	Construction trades	25	\$53,675	76%	\$55,472
	Computer and information science	647	\$51,990	68%	\$56,277
	Health profession	2,577	\$50,021	40%	\$59,646
	Engineering technologies	165	\$47,688	68%	\$51,960
	Business, management, and marketing	6,272	\$38,667	64%	\$45,289
Poorly Aligned	Visual and performing arts	1,562	\$17,833	29%	\$31,039
	Transportation and materials moving	51	\$17,731	35%	\$26,447
	Communications technologies/technician	21	\$17,629	N/A*	N/A*
	Area, ethnic, cultural, gender, and group studies	168	\$17,540	28%	\$30,300
	History	443	\$16,513	29%	\$34,154
	Theology and religious vocations	337	\$15,741	30%	\$33,185

Compare median earnings and percent employed full-time year-round between these two sets

Source: Steve Hine, MN Department of Employment and Economic Development

# Minnesota's economy continues to make solid gains

Unemployment rate  
Monthly, Seasonally Adjusted



Source: DEED's LMI Local Area Unemployment Statistics

# **PANEL DISCUSSION**





Minnesota State Demographic Center

**Stay tuned, keep in touch.**

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